The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Must China Build Another Great Wall Across the North or Forego Her Peace Policy?

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(*By the Review's South China Correspondent*)

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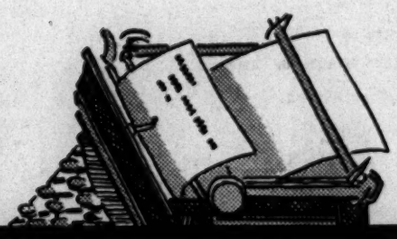

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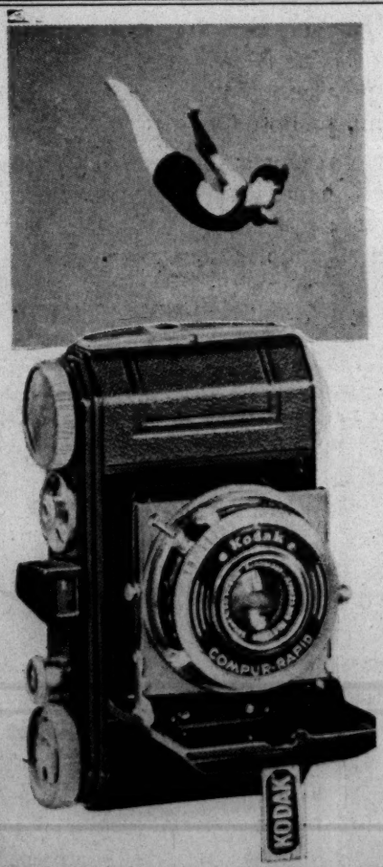

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Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China

Volume 81 | Shanghai, China, Saturday, June 19, 1937 | Number 3

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.; F. K. CHAO, Business Dept.

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U.S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES THAN CHINA AND THE U.S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

GOLDFISH, TROUT FOR THE GENERAL, ORCHIDS FOR PU-YI

NATIONAL officials in Nanking, particularly in the Ministry of Communications, are worried about the inauguration of an "illegal" airmail service between Peiping-Tientsin and Tokyo. According to reports in the Chinese papers last week the Ministry of Communications has requested the Executive Yuan to instruct the Ministry of Foreign Affairs to open negotiations with the Japanese for a suspension of the service. According to a *Reuter* message from Nanking the Foreign Office on June 15 made a formal protest in this connection to the Japanese Embassy. It was claimed that the new Japanese service, operated by the recently inaugurated Huitung Company, a Sino-Japanese aviation concern which links up north China with Manchukuo and Japan, is charging lower postage rates on mail than that charged by the Chinese Post Office.

That the new passenger and airmail service which the Japanese have inaugurated in north China is not regarded as illegal in influential political circles in the north was indicated in *Domei* dispatches telling of the inauguration of the new service. According to a *Domei* dispatch from Tientsin which was published in the Tokyo newspapers on June 2, the arrival of the first plane from Tokyo in Tientsin was welcomed by both Chinese and Japanese officials. Furthermore, when the return plane, inaugurating a 10-hour service from Tientsin, via Dairen, to Tokyo departed from the northern Chinese port at 6:10 o'clock on the morning of Tuesday, June 1, it carried numerous "goodwill" messages from the Hopei Chahar Political Council to the Communications Ministry of Japan and from other high Chinese officials in the North, including Mayor Chang Tzu-chung to the Mayor of Tokyo and from Chinese officials of the Huitung company to officials in Japan of the new Japan-Manchukuo Aviation Corporation, which is financing the new service which links up the northern Chinese cities with Manchukuo and Japan. Also,

it was reported that the new service is shortly to be extended to include Tsinan and Tsingtao in Shantung.

In addition to the messages of goodwill dispatched by northern Chinese officials the first plane, according to the *Domei* report, carried a large number of rare goldfish as gifts of the Huitung company to various officials and organizations in Tokyo. Furthermore, the first plane of the triangular service to arrive in Hsinking from Tokyo carried a cage of fresh trout for Gen. Kenkichi Ueda, Commander of the Kwantung Army, but of most interest was a bouquet of orchids which was sent to Emperor Pu-Yi by Count Hideo Kodama of Japan. The report of the arrival of the first plane of the new service in Tokyo also told of a parcel containing a number of live fish from the Sungari River which were presented by Manchukuo officials to Count Kodama.

The new service, according to the report, uses "Japan-made 7-passenger, Douglas air-transport planes," each carring two pilots, a mechanic and a radio operator, all Japanese. The planes are equipped with two 480-horse-power engines and have a maximum speed of 200 miles an hour. The service is operated on a Tuesday, Thursday and Saturday schedule but soon will be made daily. Off days at present, from Peiping and Tientsin are filled in by Japanese military planes which also, according to report in Tientsin, carry mail and parcels post from the Japanese Concession in Tientsin to both Manchukuo and Japan.

While the inauguration of this service has aroused general indignation and caused Chinese officialdom, particularly the directors of the Ministry of Communications, serious embarrassment, the recently developed Japanese aviation lines with a postal service apparently operated independently of the Chinese Post Office, constitute a continuation of aggression and enforcement on Japan's part of the indefinite terms of the Tangku Truce signed by the Sino-Japanese military authorities on May 31, 1933. In Shuhsi Hsu's excellent book, referred to elsewhere in this issue, he stated, (Page 12) "In the matter of restoring trade, communications and postal service, which formed Japanese condition (d), it was understood that air service was to be included." The Japanese utilized Section 2 of the Tangku Truce, giving them the right to use airplanes "to verify the carrying out of the terms of the truce", to establish first, a military aviation service extending to practically all cities of the northern Chinese provinces where the Japanese Army maintains its so-called "Special Military Missions." The places where these Japanese military "cells of intrigue" are located are as follows: By the Kwantung Army—Peiping, Tientsin, Tungchow (Tunghsien), Shanhaikwan, Changpei, Chapssu, Dolonor, Etsin Gol, Pingliang and Kokonor; by the Japanese North China Garrison —Tsinan, Tsingtao, Taiyuan, Kweisui and Kalgan (fifteen in all).

At first the Japanese military authorities operated planes linking up these various points for the purpose of maintaining private military communication and for inspection purposes in accordance with the terms of the Tangku truce. This planes were operated on a regular schedule, usually once a week, as is the case with respect to Tsingtao and Tsinan at present. While the mail service operated in connection with the military planes was supposed to be confined to confidential reports of the Japanese Special Service Missions it was common knowledge in the various cities touched by the Japanese planes that Japanese individuals and firms were also utilizing the military planes for dispatching mail and parcels which otherwise would have been sent through the Chinese Post Office. It was inevitable that the service initiated by the military should grow into a regular passenger and mail service and that has been the case. That the development of a modern aviation service between points of north China and Manchuria and Japan would be, under normal circumstances, a highly desirable enterprise is generally recognized. But that it should be permitted to expand in complete disregard of Chinese territorial integrity, particularly with respect to mail services, constitutes a highly dangerous development. This is generally recognized—excepting in certain political circles referred to in the beginning.

DR. SAO-KE ALFRED SZE RETURNS TO CHINA

DR. Sao-ke Alfred Sze, China's first Ambassador to the United States, returned to Shanghai this week, after a strenuous term of diplomatic service in Great Britain and the United States. Dr. Sze served in Washington during the administration of six American Presidents and seven Secretaries of State. He received nearly all of his education in the United States. He was graduated from Cornell University in 1901 with the degrees of A. B. and A. M. Dr. Sze was almost constantly in the United States from 1893 to 1902. After serving in various capacities in his home country, he was, in 1914, appointed minister to Great Britain. His term of service in London included the trying times of the World War.

In 1921, Dr. Sze was appoined Minister to the United States. He headed the Chinese delegation at the Washington Conference in 1921-2. After eight years of service in Washington he was again sent by his Government to the Court of St. James, where he remained until 1932. Due

to the strain on his health, mostly as the result of extremely hard work, he resigned from the diplomatic service and prepared to return to China. He was stopped in Washington, however, and again became Minister (later Ambassador) to the United States.

One of Dr. Sze's achievements during his second term in London was to secure for China a seat on the Council of the League of Nations. Then came the strenuous period of the Japanese occupation of Manchuria, the negotiations concerning which at Geneva were later turned over to Dr. W. W. Yen,—whom Dr. Sze succeeded in Washington. Among the important matters which Dr. Sze carried to successful fruition during his term of service in the Unated States was the second remission of the Boxer Indemnity, whereby the U. S. returned U. S. $10,500,000 to China; another was the handling of the contract which resulted in China's sale of 50,000,000 ounces of silver to China in 1935, and further quantities in the succeeding year. This credit is used as a reserve fund to stabilize China's foreign exchange.

On his arrival in Shanghai, Dr. Sze stated that his plans for the future had not been definitely decided, but first of all he would take a good rest—to which, as all who realize the large amount of work he has accomplished during the past two decades and more, will feel he is eminently entitled. In any event, according to an article by Merwin H. Browne in a recent issue of the *Buffalo Evening News*, Dr. Sze expects to visit America often after he is re-settled in China.

Must China Build Another Great Wall Across the North or Forego Her Peace Policy?*

This article, based on a recent book entitled, "The North China Problem," by Dr. Shuhsi Hsu, is the fourth of a series dealing with conditions in North China. The articles were written by an editorial correspondent based on first hand investigations and appeared in the issues of "The Review" on May 22, 29, June 5 and 12.

SINCE the object of Japan's exploitation of her so-called special position in Hopei and Chahar was attained when the Kwantung Army inspired the puppet regime to levy duties of its own on the illicit trade at a rate equivalent to one quarter of the Chinese national tariff, it means that if China were to control the smugglers with real effectiveness, "it would be necessary to adopt some such device as building a wall across the Great Plain of China in the Peiping-Tientsin area—a scarcely feasible project."

Since Manchuria and Jehol are integral parts of China, inhabited by the Chinese race, and since these extra-mural provinces happen to be strategically related to the Great Plain of China and have historically served as a road of alien invasion and conquest, it is inconceivable that China should ever be disposed under any circumstances to part with Manchuria or Jehol!

Since the price, with surcharges, which China has paid for adopting a policy of peace for the solution of the Manchurian dispute, has been entirely too heavy for the country to bear, it now becomes necessary for the Chinese people to consider other means!

Therefore the question: What will come next?

This, of course, only the Japanese can answer!

***

The foregoing paragraphs constitute the gist of a book of more than usual significance which has just been published under the auspices of the Council of International Affairs at Nanking. The author, Dr. Shuhsi Shu, is a graduate of Hongkong and Columbia Universities, has served as technical adviser to Chinese delegations at Geneva when the Manchurian question was under discussion and prior to his appointment as director of the Council of International Affairs was Professor of Political Science at Yenching.

In his introduction Dr. Hsu declared that since September 18, 1931 the Chinese people have been living in a bandit-ridden world. He then quoted from the Essays of Chungtze (3rd and 4th Centuries B.C.) to prove that even great bandits must have moral principles. However, he stated that his object in discussing the North China Problem was not for the purpose of determining the moral principles of bandits. He said that a nation, like an individual, has its life to live and if a nation wishes to live it must let other nations live as well.

Up to the signing of the Tangku Truce on May 31, 1933, China followed a policy of armed resistence toward Japan and the international situation then prevailing made it favorable for the prosecution of a campaign to compel the invaders to return the lost territory, not to say merely to check them from making any further advance, "but the pre-occupation of the Government's Central Army with the anti-red campaign made a nation-wide war of resistence out of the question."

Therefore China decided upon a policy of peace and signed the Tangku Truce.

But after four years of precarious existence under the terms—secret and otherwise—of the Tangku Truce and its supplementary Ho-Umetsu

*The North China Problem, by Shuhsi Hsu, 106 pages, well printed, annotated; 6-chapters; Prepared under Auspices of Council of International Affairs, Nanking: Kelly & Walsh, Ltd., Shanghai.

Agreement, the Chinese people are beginning to speculate upon the price they have paid for peace under the terms of Tangku. That the situation in the northern Chinese provinces has become unbearable to the nation at large is obvious. That the unrestrained military adventures of Japan's warlords have created a similarly unbearable situation for Japan is equally obvious. Therefore Dr. Hsu hopes that his treatise may facilitate a change in policy on the part of those who are responsible for what has taken place in the last four or five years.

He does not suggest the possibility, obvious to the reader, that since China was compelled in 1933 to forego resistence because of the anti-red war, the recent decision to make peace with the reds has now made it possible for the country to consider other means of dealing with the enemy in the North.

What the outcome of the present crisis in the northern provinces will be no one can forecast, but it is important that the Chinese people as well as occidentals interested in China's welfare should be cognizant of the terms of the Tangku Truce (and succeeding agreements) which has had a more disastrous effect than the infamous Twenty-One Demands of 1915. It is also of interest to know who were responsible for it. On May 3 when the Japanese troops had reached Tungchow, only twelve miles east of Peiping, the Central Political Council authorized the establishment of a "political readjustment Council for North China" which was headed by Gen. Huang Fu, now deceased. On the evening of May 22 the Japanese proposed terms for a truce which China accepted. The following, reproduced from Dr. Hsu's text is apparently the first publication of the complete terms:

"Having accepted on the Twenty-fifth Day of May, 1933 the proposal for the termination of hostilities made by Lieutenant-General Hsiung Pin, Chief of Staff to the Peiping Branch Military Council, under authorization from Gen. Ho Ying-chin, Chairman of the said Council, Gen. Muto, Commander-in-Chief of the Kwantung Army, has authorized Major-General Neji Okamura, Chief-of-Staff of the Kwantung Army, to sign as representative of the Kwantung Army, with Lieutenant-General Hsiung Pin, the representative of the Chinese Army in North China duly authorized by Gen. Ho Ying-chin, the following truce agreement:

1—The Chinese Army shall immediately withdraw to the regions west and south of the line from Yenching to Changping, Kaoliying, Sunyi, Tungchow, Hsiangho, Paoti, Lintingkow, Ningho and Lutai and undertakes not to advance beyond that line and to avoid any provocation of hostilities.

2—The Japanese Army may at any time use airplanes or other means to verify the carrying out of the above article. The Chinese authorities shall afford them protection and facilities for such a purpose.

3—The Japanese Army, after ascertaining the withdrawal of the Chinese Army to the line stated in Article I, undertakes not to cross the said line and not to continue to attack the Chinese troops and shall voluntarily withdraw to the Great Wall.

4—In the regions to the south of the Great Wall and to the north and east of the line as defined in Article I, the maintenance of peace and order shall be undertaken by the Chinese force. The said police force shall not be constituted by armed units hostile to Japanese feelings.

5—The present agreement shall come into effect upon its signature.

ANNEX—DECLARATION

"In case there shall be in the Demilitarized Zone armed units disturbing peace and order which the police force shall be unable to cope with, the situation will be dealt with by common accord between the two parties.

This document, highly objectionable in every paragraph, was the price which China had to pay "for adopting a policy of peace instead of one of hostility for the solution of the Manchurian dispute," declared Dr. Hsu. First, the Chinese Army had to "undertake to avoid any provocation of hostilities." The Japanese were permitted "at any time to use airplanes or other means to verify the carrying out of the withdrawal of troops by the Chinese." Furthermore, the Japanese troops were to withdraw "to the Great Wall," and not to the borders of Jehol, the two lines not corresponding. But most objectionable and dangerous from the standpoint of the future security of the nation was the creation of the so-called "demilitarized zone,' now the seat of renegade Yin Ju-keng's East Hopei Anti-Comintern Government. Within this area, embracing 22 hsiens or counties of northern Hopei there was to be a police force "not hostile to Japanese feelings."

But even worse things were to come: When the Japanese withdrew their troops from the Demilitarized Zone they left in their wake a large number of Chinese irregulars or renegade troops which had accompanied the Japanese army and helped in the invasion. Thus did the Japanese prepare in advance for a situation covered by the Annex-Declaration, referring to "armed units disturbing peace and order which the police force could not cope with, etc."

The Chinese authorities were compelled to send another delegation to negotiate with the Japanese—this time in Dairen. Although kept secret for a long time the following were the Japanese conditions:

(a)—Employment of part of the irregulars in the police force in the demilitarized zone;

(b)—Establishment in the evacuated area of agencies to handle matters relating to communications and economics along the Great Wall;

(c)—Permission to lease land and residences in the evacuated area for the use of the Japanese troops still stationed there;

(d)—Restoration of trade, communications and postal service between the territory on either side if the Great Wall.

Because the Chinese refused to consent to any of the foregoing conditions, excepting (a) the Japanese retained control of the Great Wall and all cities and towns in the vicinity, including

Shanhaikwan. Later, in November, when the Nineteenth Route Army started its rebellion in Fukien, China capitulated and accepted all of the Japanese conditions, with certain reservations. Special Japanese agencies were restricted to certain places and the right of the Japanese to lease land was also restricted to eight cities. Under (d) pertaining to restoration of trade and communications, it was understood that this included the inauguration of an air-service, referred to in a separate editorial discussion in this issue. On June 20 the Chinese Customs authorities etablished a station at Shanhaikwan with five substations along the wall. As China regarded Manchuria and Jehol as Chinese territory, Chinese products were permitted to pass through without payment of duty, but to prevent abuse thirty-six products were listed. Then followed separate agreements covering re-establishment of rail and postal services.

The problem of air-communication was not so simple because it was difficult to "re-establish" something which previously had not existed, but in October, 1936 the North-China authorities agreed to the creation of a Sino-Japanese concern known as Hui Tung Company and on Nov. 17 air-service was established on four routes: (a) Tientsin to Dairen; (b) Peiping to Chinhsien (Chinchou) via Tientsin and Shanhaikwan; (c) Tientsin to Chengteh (Jehol City) via Peiping; (d) Tientsin to Changpei (Chahar) via Peiping and Kalgan. As indicated in the discussion elsewhere on this subject, the new Japanese air-service at first linked up most of the northern Chinese cities were the Japanese army had maintained so-called Special Service Agencies. The recently established service between Peiping-Tientsin and Manchukuo-Japan was merely an extension of the Hui Tung Company's lines.

HO-UMETSU AGREEMENT—COMPLETE TERMS!

According to Dr. Hsu the recent inauguration of air-communications, typical of Japanese methods, is significant in that it shows how the Japanese have used the Tangku Truce to justify further aggression, whereas the Chinese thought they were "adopting a policy of peace for the recovery of Manchuria and Jehol." It was soon evident that China's troubles were not at an end: In the middle of May the Japanese Army in Jehol chased a band of irregulars into the demilitarized zone and followed them up with Japanese forces. The Chinese authorities, aware of the implications in the Annex, made haste to propose joint action. But the Japanese military authorities claimed that the Chinese "were still at heart hostile to Japan," so in order to prove China's sincerity, the Japanese proposed a set of new demands designed to guarantee China's strict observance of the Tangku Truce. According to Dr. Hsu, the Chinese authorities "as far as one can ascertain accepted practically all of the new Japanese demands:"

1—Dismissal of Yu Hsueh-chung, Chang Ting-e and their followers, all being Northeasterners;
2—Dismissal of Chiang Hsiao-hsien, Ting Chang, Tseng Kuang ching, Ho I-fei (Nanking officials);
3—Withdrawal of the Third Regiment of military police;
4—Dissolution of the Political Training Corps of the Peiping Military Council and the Military Magazine Club of Peiping;
5—Restriction and suppression of what are known to the Japanese as Blue Shirts, the Fu-hsing Club, and other secret organizations claimed to be inimical to Sino-Japanese relations;
6—Withdrawal of all party headquarters from the Province of Hopei and abolition of the Peiping branch of the Officers Moral Endeaver Association (Chinese Army Y. M. C. A.);
7—Withdrawal of the Fifty-first Army from the province of Hopei;
8—Withdrawal of the Second and Twenty-fifth Divisions from the province of Hopei and dissolution of the Students' Training Corps of the Twenty-fifth Division;
9—Prohibition of anti-foreign and anti-Japanese agitations in general in China.

STILL MORE AGREEMENTS

Chin-Doihara Agreement—Signed by Gen. Chin Te-chun, then a bureau chief of the provincial government of Chahar and Major General Doihara, Japan's arch-conspirator who was then serving as Special Service Officer at Peiping. Agreement signed on June 27, 1933, but kept secret, hence the following terms, all concerning Chahar province are thought to be "approximately correct:"

(a)—Dissolution of institutions considered to be inimical to Sino-Japanese relations;
(b)—Withdrawal of the Twenty-ninth Army (Gen. Sung Cheh-yuan's troops) east of a line drawn from Changping in Hopei to the Wall in East Chahar via Yenching and Talinpao, and south of another line drawn from a point north of Tushikiu to a point south of Changpei, the peace of the territory thus evacuated to be maintained by police;
(c)—Cessation of colonization by immigrants from Shantung.

This agreement was signed by Gen. Chin, following an ultimatum which the Japanese military authorities lodged in retaliation for action of the Chinese authorities in stopping and searching members of the Japanese Special Service Mission which was traveling, without authorization, from Dolonor to Kalgan. Prior to that the Japanese had occupied Dolonor (in Chahar) and on May 5, 1933 they had occupied Kuyuan, Paochang and Kangpao, but on May 26, Gen. Feng Yu-hsiang, then in Kalgan, organized a so-called People's Army and drove the Japanese out of Chahar. However, this raised such a commotion that the Japanese brought pressure at Nanking and forced Feng to disband his force and leave the province, whereupon the Japanese immediately re-occupied Dolonor. Later, the Japanese occupied a further strip of territory at Kuyuan, just east of the Wall. In order to avoid trouble,

the authorities at Peiping ordered Gen. Sung to give way, which he did, but later on when the Japanese forced Gen. Ho Ying-chin to agree to the nine conditions cited in the foregoing, Gen. Sung Cheh-yuan then moved his troops from Chahar to the Peiping-Tientsin district, replacing the troops of the Northeastern Army under Gen. Yu Hsueh-chung, previously in command in that area. In this connection Dr. Hsu reprinted from Japanese sources three additional items of the so-called Ho-Umetsu agreement:

1—What has been agreed upon with Japan shall be carried out within the time specified. Any parties or organizations that have caused strain in Sino-Japanese relations shall not be permitted to re-enter (Hopei);

2—In the appointment of provincial and municipal officials it is hoped that Japan's wish that selection be confined to those who will not be likely to cause strain in Sino-Japanese relations will be taken into consideration;

3—Concerning the carrying out of what has been agreed upon Japan will adopt measures of supervision and examination.

According to Dr. Hsu, Gen. Ho Ying-chin, now Minister of War at Nanking, has repeatedly denied that he entered into any agreement with Gen. Umetsu of the Japanese army, the assumption being that he submitted, under force, to the Japanese demands. On the other hand, Gen. Yu Hsueh-chung, commander of the Chinese forces (Northeastern troops) at Tientsin, informed foreign newspaper correspondents on the eve of his withdrawal from Tientsin that his evacuation had been ordered by Wang Ching-wei at Nanking. According to Dr. Hsu (Page 23) the "memorandum" embracing the alleged text of the Japanese demands contains at the bottom the signatures of Gen. Ho and Gen. Yishijiro Umetsu. Later it was alleged that Major Tan Takahashi, Japanese Miltary Attache at Peiping, also submitted a document to Gen. Ho Ying-chin which contained substantially the same terms as those previously submitted by Gen. Umetsu, but on this occasion Gen. Ho flatly refused to sign on the dotted line, declaring that he had already done enough to placate the Japanese. Major Takahashi is then alleged to have submitted a counter proposal, or alternative, which was accepted on July 6, the text being as follows:

(a)—The document alleged by the Japanese to be what they refer to as the "Ho-Umetsu Agreement" is exactly what Gen. Ho rejected;

(b)—The first set of nine items given in the alleged document contains what the Chinese Government, on the demand of the Japanese, actually performed;

(c)—Gen. Ho and the Japanese disagree as to whether the acceptance given in the letter of July 6th covers the second set of three items given in the alleged document.

In view of the contradictory statements, according to Dr. Hsu, "it was evident there was never a meeting of minds; in other words there was no agreement," in which connection the following points may be noted:

(a)—The procedure through which the agreement was effected was most unusual. It is difficult to understand why the Japanese should have chosen to present demands only verbally and then, after all were complied with, to press for written confirmation.

(b)—It seems to be quite unwarranted for the Japanese repeatedly to invoke the agreement in a general way in their dealings with the present Hopei-Chahar authorities. The first set of nine items, as the Japanese themselves, preface them, are "items which China has . . . carried out toward the Japanese Army," in other words already executed and not, be it remarked, executory. As long as there is no attempt to reinstate the dismissed parties, or re-incorporate the dissolved organizations, or re-admit the withdrawn troops, or re-promote the suppressed agitation, the Japanese surely can have no cause for complaint.

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So much for the "legalities" of Japan's special position in the northern Chinese provinces! By the spring of 1935 Japan's harvest in the North was almost complete. All troops, organizations and individuals regarded as unfriendly to Japan had been withdrawn and the puppet state of Manchukuo was protected by two so-called "demilitarized zones" one outside the other and both created at the expense of territory belonging to China which was not included in the original four Northeastern provinces—Fengtien, Kirin, Heilungkiang, Jehol. Japan's security on the Continent left nothing to be desired; many simple Chinese souls argued that Japan would now call a halt! But the last Nanking soldier had scarcely left the soil of Hopei-Chahar before the Japanese were at work on another puppet state, most grandiose intrigue of all, involving the virtual independence of all North China, including the provinces of Hopei, Shantung, Shansi, Chahar and Suiyuan.

The Political Readjustment Council, headed by Gen. Huang Fu, in Peiping, recruited a number of men who "knew Japan," including one named Yin Ju-keng who was appointed an administrator in the Demilitarized Zone. Yin grew rapidly in Japanese favor due, not to his ability to handle the Islanders, but rather to his pliability "even to the point of becoming a traitor." On Nov. 25, 1935, acting under instructions from the Kwantung Army Yin Ju-keng declared himself Chairman of the East Hopei Anti-Communist (now changed to "Anti-Comintern") Government of China. Nanking promptly issued an order for his arrest and punishment. In response to this gesture, Japan sent 200 troops to Yin's capital Tungchow, the number since having been increased to 300 now housed there permanently in a Chinese school.

The following month another Chinese renegade, Gen. Li Shou-hsin, with the help of Japanese and "Manchukuoan" troops drove across Chahar from Dolonor, occupied six hsiens of Chahar and created another puppet regime at

Changpei, a few miles north of Kalgan, but within the Demilitarized Zone.

In order to check up on China's "sincerity" and observe "anti-red" manifestations among the Chinese people the Kwantung army established so-called "special service missions," or cells of intrigue in ten Chinese cities, Peiping, Tientsin, Tunghsien (Tungchow), Shanhaikwan, Changpei, Chaossu, Dolonor, Etsin Gol, Pingliang and Kokonor. The Japanese garrison in the Peiping-Tientsin district, not to be outdone by the Kwantung Army (controlling Manchuria) established five more special service organs of its own at Tsinan, Tsingtao, Taiyuan, Kweisui and Kalgan. A further special mission, apparently overlooked by Dr. Hsu, is that maintained in Shanghai by the Kwantung Army, independently of the Military Attache who represents the General Staff at Tokyo.

Space is insufficient for a further analysis of Japan's special position in the northern Chinese provinces as portrayed by Dr. Shuhsi Hsu, who has deservedly won a reputation as one of China's outstanding authorities on the Manchurian problem. His delineation of the Mongolian problem is the clearest and most logical that the writer of these paragraphs has seen anywhere—in fact there would have been no Mongolian problem had the Chinese authorities been able to continue their policies without Japanese interference. But Japan has now created a genuine Mongolian problem which may, ultimately, provide the "storm over Asia' which will drive the Islanders back into their native abode. But to complete the record there must be recorded the creation on May 2, 1936, of the Military Government of Mongolia with headquarters at Chapssu, important station on the Kalgan-Urga post road within the border of the territory of the Silingol Mongols in Chahar. The chief actor here was the Mongol leader Prince Teh Wang, who, after playing for Nanking's support and receiving much, suddenly switched to Japan and became another puppet. Taking advantage of the red crisis in Shensi and Shansi, Prince Teh, with Japanese and Manchukuo backing, opened hostilities and tried to seize two important centers in Suiyuan—Pingtichuan and Kweisui , the capital city. Shangtu served as base for the drive on Pingtichuan; and Pailingmiao, former seat of the Inner-Mongolian Council, served as base for the attack on Kweisui. Chinese troops under Gen. Fu Tso-yi, Chairman of Suiyuan, subordinate of Gen. Yen Hsi-shan, head of Shansi province, scotched this Japanese-supported enterprise by launching a preventive attack resulting in the Mongols and their Japanese supporters being rolled back and Pailingmiao, key of Japan's expansion into the Northwest, being delivered into Chinese hands.

With the Japanese and rebel puppets eliminated from Suiyuan. China was on the point of following up the victory by an advance into North Chahar when the Sian episode developed!

Japan's diplomatic progress in the North is traced by Dr. Hsu with equal clarity, including a complete discussion of the famous Koki Hirota "Hands Off" declaration, with the reactions of China, America, Britain and other European nations; also Anglo-American reactions with regard to the autonomy movements in North China; and Hirota's Three-point Program designed to compel China to recognize the *fait accompli* in Manchuria, Jehol, Hopei and Chahar, forsake the world and make common cause with Japan (and Germany-Italy?) against the Soviet Russians. There is also a full discussion and repudiation of Hirota's allegations that China had accepted the Three Principles.

NANKING POLICY—A DEFINITION!

Dr. Hsu in the final chapters of his book takes up the all-important question of China's national policy in the face of the present crisis in the northern provinces. Of vital significance in this connection was Gen. Chiang Kai-shek's definition of Central Government policy, delivered in the course of an address at the Second Plenary Session of the Fifth Kuomintang Central Executive Committee and Central Supervisory Committee held in Nanking. Gen. Chiang's declaration was made following a motion introduced at the meeting by representatives of Kwantung and Kwangsi provinces calling for an immediate expedition to check Japanese aggression. The motion was not passed but the occasion provided an opportunity for Gen. Chiang to declare,

> "All Chinese know that we have to save the country, to defend her. But in saving the country or defending her what kind of a step should we take? It is of the utmost importance that we lay down a clear minimum to be the guide in determination of a national policy. The absolute minimum is what was decided upon by the Fifth National Congress last year, namely, 'We shall not abandon peace as long as peace has not become hopeless; we shall not speak lightly of sacrifice as long as sacrifice is not the only alternative.' . . . I wish now to explain clearly the meaning of these words: . . . What the Central Government considers to be the absolute minimum of foreign relations is the maintenance of our territorial sovereignty intact. If any nation should seek to violate our territorial sovereignty, it would be absolutely impossible for us to endure. We shall definitely refuse to sign any agreement that violates our territorial sovereignty, and shall definitely refuse to endure any actual violation thereof. To put it more plainly, if others should force us to sign an agreement violating our territorial sovereignty such as that for the recognition of the puppet state, it would be impossible for us to endure any longer, it would be time for us to make sacrifices. This is one point. Next, beginning with the National Congress in November last year, if our territorial sovereignty is found violated by others, in the event all political and diplomatic means are exhausted and the vioation is still not repelled, it will mean that the fundamental existence of our nation and our race is threatened, it will mean that it is impossible for us to endure any longer. When that time comes, we shall not hesitate

to make sacrifices. This is what we mean by the absolute minimum."

Based on this statement of national policy, Dr. Hsu made the following analysis of Nanking policy: First, the Government will put up with the existence of Manchukuo for the time being, but under no circumstances would China accord recognition *de jure or de facto*. Secondly, the Government would not tolerate volation of Chinese territorial sovereignty outside the limits of Manchukuo which, since the National Congress in November, 1935 the Japanese had continued to commit. Such Japanese violations, according to Dr. Hsu, would include:

(a)—Promotion of secession or defection, in the intramural North China provinces,
(b)—Same in Inner-Mongolia,
(c)—Maintenance of puppet regime in East Hopei,
(d)—Occupation of North Chahar,
(e)—Connivance at Smuggling,
(f)—Stationing of troops along the Peiping-Liaoning Railway beyond the customary limit,
(g)—Flying over Chinese territory without authorization.
(h)—Maintenance of special service agencies in important centers in North China, including Inner-Mongolia.

Finally, what is Japan's real purpose in the creation of the North China problem? Is it more territory, eventual annexation of the provinces south of the Great Wall, including Inner-Mongolia? Or, are the Japanese merely trying to compel China to acquiesce in the loss of the northeastern provinces and accord *de jure* or *de facto* recognition of the puppet state? In Dr. Hsu's opinion, it is futile for Japan to try to force recognition of the puppet state. On the other hand, if Japan intends to annex more Chinese territory that will obviously mean that "fundamental existence of our nation and our race is threatened," and this in turn will mean that it is "impossible for the Chinese people to endure any longer."

Swatow Insists on Strict Regulation of Aliens Entering Port

BY THE REVIEW'S SOUTH CHINA CORRESPONDENT

FEAR of Japanese economic penetration into Swatow (chief river port and gateway to eastern Kuangtung) is the reason why Chinese Municipal authorities in Swatow are insisting on strict registration of aliens staying in that port and reports made to the Police in the event of their changing their addresses. Not very long ago it was discovered by the Chinese authorities that the number of Japanese subject Formosans and Koreans in Swatow had increased by almost a hundred per cent as compared with the figure furnished at the last census taken in Swatow and its adjoining district Chaochowfu in 1936. More alarming was the disclosure that most of these Formosans and Koreans, speaking fluent Chinese dialects, are residing in the interior districts near Swatow and there is the strongest of suspicion that to do business with the Chinese is not the sole reason for their presence in this remote part of Kuangtung.

From well informed Chinese sources it is said that this big scale immigration of Japanese subjects into eastern Kuangtung is a bold attempt the convert Swatow into anothor Amoy, where the Chinese administration has been made difficult at times by the predominant Japanese influence there. For this reason when the new Chinese Police Commissioner of Swatow, Hsieh Han-kwang, took over the administration of the police he made it his first job to see the entire suppression of gambling and smuggling vices sponsored by aliens. Because of these rigid measures of the police, Japanese smugglers have been compelled to remain inactive during the past weeks, but at the same time they entertain the strongest of feeling against the new Police Commissioner. It is therefore only logical that when the Chinese and Japanese officials discussed the settlement of the Kiyoshi Aoyama assault case one of the first demands made by the Japanese Consul at Swatow, Seiichiro Yamazaki, was for the immediate dismissal of the Police Commissioner of Swatow. This demand has created the strongest of resentment among the Canton and Swatow Chinese newspapers who have asserted that the Police Commissioner has proved an able controller of foreign smuggling and suppresser of foreign-sponsored gambling houses. The newspapers further point out that it is outside the realm of the Japanese consular authority to dictate to the Chinese Government whether they should retain or dispense with the services of the able Swatow Police Chief, who had the courage to face the anger of the powerful neighbor of China.

Chinese Woman Assaulted

But while the Japanese Consul at Swatow and the Chinese Mayor were discussing a settlement of the Aoyama case another parley discussing the same incident was being held during the previous two days in Canton between Toyoichi Nakamura (Japanese Consul-General of Canton) and Philip Tyau (Inspector-General for Foreign Affairs of Kwantung and Kwangsi). But complications have since been added to these battles of arguments in Swatow and Canton by the report of another serious incident in which a Chinese wet-nurse has been seriously injured by a Japanese subject Formosan and his wife. The assault occurred on June 7 and consequent on investigations made by the Japanese consular officials at Swatow the Formosan and his wife were both found to be guilty of the charges made against them by the nurse who complained of wrongful dismissal and arrears of wages which the Formosan had failed to settle. The Swatow Consul, so say the Chinese accounts from Swatow, has ordered the Formosan to pay the medical expenses and compensation to the nurse, who is now lying dangerously ill at the Swatow Hospital. There is much concern over her condition.

While the Swatow authorities and officials were investigating the nurse's charges against her employer it was found quite accidentally that the same Formosan had made a false report to the Police when moving into a house at No. 70, Kwangchow Street, by presenting himself as a native of Kuangtung, whereas to the Japanese consular authorities he admitted being a Japanese subject from Formosa. The disclosure should support the Chinese argument as made at the negotiations of the Aoyama case that many Japanese subjects entered Swatow without reporting their presence to the Chinese police. The Swatow Municipal Government has protested to the Japanese Consul demanding that suitable punishment be given to the Formosan for the two offences made.

Japanese Enter Chungshan

Corresponding to what the Japanese have done in Swatow during the past few months an attempt is now being made to carry out a similar program of secret immigration of Japanese subjects into Chungshan, which is Kuangtung's leading district, politically and commercially, because of its proximity to the Portuguese Colony Macao. Village elders of the Tung Lok village, Chungshan, just across from the Portuguese territory, have reported to the higher authorites in Canton that a number of Japanese subjects have arrived there without first reporting their nationality to the Chinese Police. Though the Japanese profess to be farmers it is feared that other motives promoted their entry into Chungshan, the native home of the founder of the Chinese Republic, Dr. Sun Yat-sen.

Chinese Traitor Executed

In connection with the secret entry of Japanese subjects into Swatow and Chaochow the Chinese intelligence officers have found that these Japanese subjects have obtained support of some Chinese traitors to further their alleged espionage work. These traitors were engaged mostly to assist in the smuggling activities. One of the most notorious of traitors, a man named Wong in Ching Hai district near Swatow, was arrested by the Chinese authorities and found guilty of assisting the Japanese in smuggling. After a military trial at the headquarters of the 155th Nationalist Division Wong was ordered to be executed at Chaochowfu as a good example to others who befriend the Japanese smugglers.

Canton Needs Leprosarium

Because of a desire to arrange for the segregation of all lepers found in Canton City the police have rounded up hundreds of lepers, mostly beggars, which caused rumors to spread that a mass massacre of lepers in Kwangtung is being planned. Numerous enquiries from Nanking officials about these rumors were made not along ago and the latest enquirers from Nanking included Wang Ching-wei (Chairman of the Central Political Council) and T. V. Soong. To each of these enquirers the Mayor, Tseng Yang-fu, has replied that far from being plan-

(*Continued on page 108*)

Trial of "National Salvationists" Opens at Soochow; Dr. H. H. Kung Concludes European Tour

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Seven "National Salvationists" Deny Charges of Subversive Activities.**
2. **Dr. H. H. Kung Honored in Belgium and Germany, Leaves Europe for U. S. A.**
3. **Dr. Sao-ke Alfred Sze Returns to China After 23 years of Service Abroad.**
4. **Popular Revolt Against "Manchukuo" in North Chahar Rapidly Spreading.**
5. **Nanking Formally Protests Against Tokyo-Tientsin Air Mail Service.**
6. **General Chiang Kai-shek Urges Rural Work by Students During Vacation.**
7. **Hankow Newspaper Man Executed as Traitor, Korean Arrested for Forging Bank Notes.**
8. **Tsien Tai Appointed China's First Ambassador to Belgium.**

With the courthouse heavily guarded by police and gendarmes, the trial of the seven leaders of the All-China National Salvation Association, on charges of undermining the security of the state, opened at the Kiangsu High Court in Soochow at 2 p.m. June 11. The session lasted till 7.20 o'clock in the evening, and was held in the presence of only newspaper reporters and families of the defendants. The seven accused, who were arrested on Nov. 22 last year in Shanghai, are:

Shen Chun-ju, 64, lawyer; Chang Nai-chi, 41, well-known economit; Wang Chao-shih, 35, lawyer and former professor of Kwang Hua University; Li Kung-pu, 36, educator; Tsou Tao-fan, 42, magazine editor; Sha Chien-li, 35, lawyer, and Miss Sze Liang, 33, lawyer. The trial was presided over by Fang Wen, Chief Judge, who was assisted by Judges Wang Chueh and Cheng Chuan-ying. The seven accused were defended by a total of 19 attorneys.

The above photo shows six of the seven "National Salvationists." From left to right: Wang Chao-shih, Chang Nai-chi (back row), Li Kung-po (front row—seated), Sha Chien-li, Shen Chun-lu and Tsou Tao-fan. Miss Sze Liang, the woman member, is not shown above.

Shen Chun-ju was the first to stand trial. In defending him-self against the charges levelled against him, Shen denied that he was propagating doctrines detrimental to the Three People's Principles, that he was a Communist, that the All-China National Salvation Association was responsible for instigating labor strikes in Shanghai, and that the Association was advocating the organization of a new government. Shen explained that the object of the Association, organized on May 31 last year, was to attempt to stimulate the mobilization of all resources and energy in the country toward national salvation and resistance against Japan. The manifesto issued by the Association, Shen said, mentioned the alliance of all parties and creeds, Communists naturally included, but the manifesto implied that the Kuomintang no doubt to be the leading force. He denied any advocacy of organizing a new government, explaining that China was confident in the ability of the National Government in leading the people. Concerning the Constitution, Shen said, the Association's view was not to entirely do away with the Constitution, emphasizing only the fact that at an emergency period, a people's assembly should first be convened to draw up a comprehensive program for resistance against aggression. Continuing Shen said that he could not guarantee there were no Communists among the members of the Association, but emphatically declared that he himself was not a Communist. Shen further denied that the Association had any affiliations with the Communist Party, which fact, he said, could be proved by a letter from Mao Tse-tung, one of the Communist leaders, saying: "From the newspapers I have read of the object of the Association." Of the Sian incident, Shen said, he was ignorant. As to labor strikes in Shanghai, Shen said that the Association had no previous knowledge of them. He admitted however that after the outbreak of the strike at a Japanese cotton mill, the Association did organize, at the request of the laborers, a "relief committee." Shen denied that the Association had ever used the slogan: "The People's Front." But the term they used, namely "Unification and National Salvation Front," merely implied the mobilization of all forces for the purpose of resistance against foreign aggression. The second meeting of the Standing Committee of the Association, Shen said, was held at the home of Ma Hsiang-po, the eminent Catholic leader, who was one of the sponsors of the Association. Shen denied any acquaintance with Lo Tsing, Ku Liu-hsing and Jen Sung-kao. In conclusion Shen said that he was a Kuomintang member, having joined the Party in 1911. Shen's explanation lasted over two hours.

Chang Nai-chi was the next to defend himself, also denying that the Association had ever advocated the organization of a new government. The main object of the Association was to resist aggression externally and to achieve peaceful unification internally. With the advocacy of the mobilization of all parties and creeds, Chang said, the Association expressed the idea that thus civil war would be ended and unification achieved. Chang also denied that he was a Communist.

Wang Chao-shih, the next to speak, declared that he belonged to no political party. The National Salvation Association, he said, was opposed to civil war, without mentioning opposition to the suppression of Communist bandits.

The others answered the charges with practically identical denfense as Shen Chun-ju, except Li Kung-pu and Tsou Tao-fan both declaring that they had read about the manifesto of the Association after it was issued. Both stated that they had joined the Association with one object, namely their advocacy of resistance against Japan.

RELEASE OF SEVEN NATIONAL SALVATIONISTS URGED

According to *Shanghai Nippo* June 13, under the leadership of five college professors, more than 5,000 people gathered at the open space at the western end of Route de Siccawei that day and staged a mass demonstration demanding the release of the seven leaders of the National Salvation Association, now being tried in the Soochow. A long speech was delivered by the chairman, who said: "It is reported that Shen Chun-yu and the other leaders of the National Salvation Association will be sentenced to five years in prison and if this is true it means that it is a crime to love one's country and to carry out patriotic activities. We are all patriotic citizens of the country, does it mean that all of us are criminals? . . . ." The mass shouted: "Demand the release of the seven leaders!" following the speech.

Nine resolutions were proposed and passed by the people later. They are: (1) Withdrawal of the charges against the seven leaders by the Soochow court,

(2) Release of the seven leaders,
(3) Protect patriotic movement,
(4) Protect the freedom of speech, of press and of organization,
(5) Carry out democratic form of government,
(6) Relaese of political prisoners,
(7) Boyscott the Japanese goods and suppress the practice of smuggling by force,
(8) Support the Government to start an anti-Japanese war, and
(9) Abolish the bogus East Hopei regime and recover all the lost territories.

Then the masses sang the following songs: Anti-Japanese Volunteers Song, and the National Salvation Military song. Later the people parade on the streets and were dispersed by the police of the French Concession. Anti-Japanese handbills were distributed by the demonstrators as well as manifesto of the National Salvation Association.

Commenting on the trial of the seven leaders of the National Salvation Association in Soochow, the *Shun Pao* in an editorial June 11, said:

"Great attention is being paid to this trial by all circles. On the one hand we hope that the Court will maintain its dignity and carry out its duty and on the other hand we must know that the seven leaders are suspected of endangering the safety of the Republic because of their patriotic motives. Even if these leaders should be punished in accordance with law, we must study the problem from the political angle. It must be mentioned that the laws governing the cases of endangering the safety of the Republic are but products of special political conditions in the country. During the trial attention should be paid to the political condition."

DR. H. H. KUNG HONORED IN BELGIUM AND GERMANY, LEAVES EUROPE FOR U. S. A.

After having concluded an extensive and successful tour of Europe, Dr. H. H. Kung, Vice-President of the Executive Yuan and Minister of Finance, who represented China at the British Coronation last May, left Cherbourg in France June 16 for America aboard the British liner, *Queen Mary*. Dr. Kung was accompanied by Dr. P. W. Kuo, Dr. C. Kuangson Young and L. T. Chen.

During his three-week tour in Europe, Dr. Kung visited many European capitals including Geneva, Rome, Paris, Brussels and Berlin and was very cordially received at all these places. He was honored and decorated by the Kings of Italy and Belgium and President Albert Lebrun of France. He was also received in audience by the German Chancellor Adolf Hitler, with whom he had a long conversation. Dr. Kung's political and financial achievements were highly praised by the various leading papers in Europe. Dr. Kung will visit the United State for two weeks and then revisit Germany for a rest cure before returning to China.

Dr. Kung called a meeting at Berlin June 14 of members of the Chinese delegation in Europe, and gave final instructions with regard to the further investigations of those members of the delegation who have been studying European economic and industrial progress. These experts have been particularly devoting their time to looking into financial and economic matters such as income tax systems, tax organization, chemical industries, medicine, heavy industries such as steel and airplane factories and railway administration. Dr. Kung told members of the Chinese delegation who are not going to America with him to wind up their respective work as soon as possible, preferably within a week, and return to China, since the official mission is now ending. When Dr. Kung comes back to Germany he will go to Northeim for a rest cure. Members of the Chinese mission with special assignments are expected to complete their reports immediately upon their return to China.

Dr. Kung and his party arrived at Berlin from Brussels morning of June 9. A large welcome party waving Chinese national flags was on hand to greet the visiting Chinese statesman. Among those present at the station were Dr. H. Schacht, Minister of Economy; Ambassador Cheng Tien-fang; the Vice-Minister of Communications, the Protocol Director of the Foreign Office, Colonel Thomas of the War Office and many other distinguished persons. At the station, a group of Chinese uniformed military and police students in Berlin formed a guard of honor.

At a banquet given night of June 9 by Dr. Hjalmar Schacht in honor of Dr. H. H. Kung, the Reichsbank President and Reich Minister for Economics delivered a speech in which he recalled the immense efforts made by the Chinese people after the overthrow of the last imperial dynasty to rebuild the nation under the leadership of Dr. Sun Yat-sen and General Chiang Kai-shek. Dr. Schacht emphasized the particularly valuable services performed by the present Chinese Finance Minister in the critical days of the attack on Gen. Chiang Kai-shek at Sianfu when Dr. Kung's efforts were responsible for the maintenance of China as an ordered state. Dr. Schacht spoke with special warmth of Dr. Kung's boldly conceived reform of the Chinese currency from which had resulted one of the most stable currencies of the world. In his reply Dr. Kung said that his journey to Germany was a special pleasure to him because he had the honor to meet old friends again but also because he knew the extremely friendly feelings of the German people towards the Chinese nation. Dr. Kung declared he was fully aware that when he was made an honorary doctor of engineering by the Berlin Technical Academy, the honor was conferred upon him on account of the great esteem Germany has for China. Just as Germany follows the will of one man, in China General Chiang Kai-shek and the other leaders have constituted themselves executives of the political testament of the late Dr. Sun Yat-sen and are determined to realize the program of that leader. China considers Germany her closest friend not only on account of the cultural relations she has in common with Germany but also on account of the close economic relations between both countries.

Dr. H. H. Kung was received June 11 by General Goering, Prussian Premier and Reichs Air Minister. After having been welcomed at the Air Ministry by Lieutenant-Colonel Hanesse, the Chinese guests were conducted to General Goering's villa where a long conversation took place. Dr. Kung was then the guest of honor at a luncheon given jointly by the China Study Society, the East Asiatic Association of Hamburg-Bremen and the Far Eastern Society, with General Milch being present as representative of General Goering. At a dinner given in night of June 10 by the Chinese Ambassador Dr. Cheng Tien-fang in honor of Dr. Kung, the Ambassador expressed the hope that the personal contact established between the Chinese Minister of Finance and leading German statesmen would help to "cement the good relations between China and Germany and further the economic co-operation between the two countries."

HITLER RECEIVES DR. KUNG AND PRESENTS HIM WITH AN AUTOGRAPHED PHOTO

Dr. H. H. Kung was received June 13 by Chancellor Adolf Hitler in an official audience. Der Fuehrer received Dr. Kung at Berchtesgaden, his country residence in the Bavarian Alps. Dr. Kung and the other members of the Chinese party were introduced to the Reich leader by Ambassador Cheng Tien-fang. The Chinese party bowed formally to the Chancellor, who raised his arm in the Nazi salute in reply. Herr Hitler cordially welcomed the Chinese delegates to Germany, after which all those present were seated in the drawing room of the estate. The Chancellor questioned Dr. Kung closely about the health of General Chiang Kai-shek and expressed his pleasure at hearing that the Chinese leader was again in perfect health and able to fulfill his duties as the head of the nation. The Fuehrer also congratulated Dr. Kung on his efforts in the monetary field by which the stabilization of Chinese currency has been achieved. He assured the Chinese minister that Germany was greatly interested in helping the technical and economical development of China. Dr. Kung expressed his gratitude to Chancellor Hitler for the many courtesies which had been shown him and his party.

Herr Adolf Hitler conferred a special honor on his guest by presenting him with the Chancellor's silver-framed picture bearing a dedication in his own handwriting. The picture is contained in a precious leather case. The Chinese Minister of Finance presented Herr Hitler with Chinese works of art.

On the shore of the beautiful Koenigs See Lake, Dr. H. H. Kung had lunch June 13 with the Fuehrer, Herr Adolf Hitler. They had motored there together following Dr. Kungs arrival at noon at Herr Hitler's villa at Berchtesgaden. Matters of mutual interest to their respective countries were discussed over lunch; and afterwards the two statesmen returned to Berchtesgaden to a tea party given by the Fuhrer in honor of Dr. Kung.

Premier Paul van Zeeland of Beligum received June 7 Dr. H. H. Kung, China's Finance Minister, in an audience lasting more than an hour. Both statesmen expressed themselves satisfied with the meeting. A brilliant reception was held in the evening in honor of the Chinese delegation. A marked atmosphere of cordiality pervaded the gathering.

China's relations with Japan, showing some improvement in recent months, were outlined for *Le Soir* at Brussels June 7 by Dr. H. H. Kung, in an interview with *Havas*. "China is a pacific country and has always proved patient in her relations with her neighbors," he began. "During the last few months certain signs have foreshadowed an improved attitude toward China on the part of certain broadminded Japanese statesmen. We hope that this change in Japan's attitude toward China is sincere and real. As far as China is concerned, she is ready as she has always been to go more than half way to meet Japan, in the interests of friendly co-operation and Far Eastern peace. China is ready to co-operate economically with Japan as with other countries, provided this cooperation is based on the principles of reciprocity and equality of rights."

Passing from China's foreign problems to internal affairs, Dr. Kung said: "China has made immense progress in the past 10 years under the guidance of the National Government. I am proud to be a part of that government. Under the wise and enlightened direction of General Chiang Kai-shek, China has achieved political unity and financial stability, never before known. The Nationalist Government is busy now with a new program of reconstruction. In this task, it is ready to welcome the co-operation of all friendly nations. Belgium and China have worked together in the past, and it is to be hoped that this close collaboration may be pursued far into the future."

BERLIN AND PARIS PAPERS PRAISE CHINA'S PROGRESS

An article emphasizing the recent progress of China, dated from Nanking and signed by M. Andre Buboscq, was published in *Le Temps* in Paris June 13. "Speaking generally one can say that the material progress in China is incontestable," he declares. "Means of communication have advanced considerably and the network of roads is such that it appears to be evident that the progress in the great cities is even less profound than that in the villages. Reconstruction is in progress. The moral parallel to this material reconstruction is the 'New Life Movement.' Suffice it to say that the new precepts which are expounded by Generalissimo Chiang Kai-shek from time to time are tending toward the establishment in China of a sort of socialism tinged with protestantism, which will continue to be applied even after its genial proponant, General Chiang Kai-shek, has passed. But, of course, we hope that China will be able to keep him as her leader for a long time to come."

High praise for the Chinese Finance Minister. Dr. H. H. Kung was meted out June 9 by the semi-official publication,

"Political and Diplomatic Correspondence," organ of the Wilhelmstrasse, which expresses satisfaction over the visit of the Chinese statesman to the capitals of Europe. The Reich has the occasion to exchange views with "one of the personalities of a great country, which still remains somewhat apart from strictly European affairs," the journal stated. The journal emphasizes the role of Dr. Kung, along with that of General Chiang Kai-shek, in the progression of the Chinese Republic. "By vast financial and monetary measures Dr. Kung has consolidated the work of restoration in moments that were particularly difficult—for example, last year. He has displayed at the same time the qualities of a statesman and technician, assuring him the esteem of other countries. "In collaboration with his brother-in-law, T. V. Soong, Dr. Kung has been able to save China's economic regime from the danger which threatened it," said the *Deutsche Allgemeine Zeitung* June 8. "He achieved this through a combination of ancient Chinese tradition and modern financial tactics. The 1935 decision of the Finance Ministry to sever China's currency from the silver standard created a sensation and was received generally with skepticism. The unexpected success of this monetary reform, however, has since revealed how right it was."

"I did not come to Europe to seek a European loan, but if Britian offers us a loan in view of our strong financial position, I would consider such a proposal," said Dr. H. H. Kung in the course of a conversation with German journalists at Berlin June 11, reported *Reuters*. Dr. Kung said he was much gratified with the cordial reception he and his party had received in Germany.

Various financial problems of China were briefly discussed in the course of a radiophone conversation evening of June 9 between Dr. H. H. Kung now in Berlin, and Jian Chen, Deputy Governor of the Central Bank of China, the *Central News Agency* reported. Dr. Kung first inquired about the general financial and currency situation, and Mr. Chen reported that there had been slight trouble on the various exchange markets, but the situation now has gradually eased.

POPULAR REVOLT AGAINST "MANCHUKUO" IN NORTH CHAHAR SPREADING

The popular revolt against Manchukuo control in North Chahar is spreading, according to Chinese reports from Pingtichuan June 13. Four-thousand armed "rebels," commanded by Li Ying, captured a number of villages south of Kuyuan, on the Chahar-Jehol border, on June 10, and now threaten to penetrate westward with the object of rallying the inhabitants, said *Reuters*. The revolt apparently originated in an attempt to organise a concerted uprising. Owing, however, to a betrayal of plans the affair has developed on sporadic lines. In order to check disaffection Manchukuo levies have been reorganised as the "Mongolian autonomous army" consisting of 10 divisions of which Prince Teh is commander-in-chief and Li Shou-hsien deputy commander.

Sharp fighting occurred at Chaoyangchen, a township seven miles south of Chapser, according to reports from Kalgan, when a force of pro-Chinese volunteers repeatedly attacked two divisions of the Mongol army, inflicting some casualties before retiring, *Reuters* reported June 15. Prince Teh is reported to be personally directing the operations of pro-Manchukuo troops in the Chapser area. From Pintichuan a force of 500 volunteers are advancing towards Nanhaochan. Li Shou-hsin, deputy commander of the "Mongolian autonomous army," has telegraphed from Changpei instructing the garrison to prepare to defend the town.

More than a hundred persons have been killed and several hundred others arrested in popular uprisings against Manchukuo control of North Chahar this month, according to estimates contained in Chinese reports received at Peiping June 11. There have also been mutinies among the irregular levies, the latest of which occurred in Changpei on June 8 when a company of guards attached to the command of the irregular leader, Pao Tze-chen, deserted. The mutineers were pursued by an armoured-car and mowed down with machine-gun fire.

Chinese volunteers, under command of Li Ying, rising against the misrule of "irregulars" on the Jehol-Chahar border, have captured two counties in Kuyuan and Tushihkou, states a Peiping dispatch to the *Hsin Min Pao* in Nanking.

Military training of a selected group of intelligent and physically fit citizens, which will form the neuclus of Shansi's People Volunteer Army, started June 11 in six designated districts in the province. In a statement to the six training camps, Gen. Yen Hsi-shan, Vice-chairman of the Military Affairs Commission and Pacification Commissioner for Shansi and Suiyuan, emphasized the importance of mass militarization in modern warfare.

JAPANESE WITHDRAWING SUPPORT OF YIN'S PUPPET REGIME

Yin Ju-keng, head of the so-called East Hopei Autonomous Government, returned to Tungchow June 10 from Tientsin, where he was received by Lt.-General Tashiro, commander of the Japanese garrison in North China, reported *Reuters*. A report that they discussed the transfer of the control of Japanese affairs in East Hopei from the Kwantung Army to the North China command has aroused nterest in Peiping, as it suggests a weakening of Japanese support of the regime.

Interviewed by Chinese pressmen June 11, Major Imai, Assistant Japanese military attache in Peiping, denied recent reports in the Chinese press that the Japanese military authorities were contemplating an increase in the existing strength of their garrison in North China. Major Imai added that these reports were without any increase in the existing force.

Further secret recruiting of Chinese laborers in Paoting for work in "Manchukuo" was frustrated at Paoting June 10 with the arrest of three agents of Japanese firms in Tientsin, reported *Central News*.

WAICHIAOPU PROTESTS TO JAPANESE EMBASSY AGAINST TOKYO-TIENTSIN AIR MAIL SERVICE

The Foreign Office at Nanking formally protested June 15 to the Japanese Embassy against the unauthorized air mail service from Tokyo to Tientsin of the Huitung Air Transport Company, a Chinese-Japanese joint concern in Tientsin, in co-operation with the Japan Air Transport Service, according to *Reuters*. The protest declares that the service violates China's rights and demands immediate suspension of the "illegal activities." The service was inaugurated on June 1.

HANKOW NEWSPAPER MAN EXECUTED AS TRAITOR

Convicted by the Gendarmerie Headquarters of having supplied political and military secrets to "certain quarters," Tang Ching, Managing Director of the *New Hankow Daily*, was executed June 11. Tang Ching, alias Tang Yen-chen and also Tang Chu-shu, was arrested on May 31, and at the trial he confessed that he had been paid by "certain quarters" to supply them military secrets.

JAPANESE NATIONALS IN NORTH CHINA SHOW STEADY INCREASE

There are altogether 4,535 Japanese nationals now in Peiping of which 2,438 are Japanese, 203 Koreans and 66 Formosans, showing an increase of 315 persons as compared with the figures of last April, according to *Central News*. For the month of May, Japanese nationals at Tungchow also showed an increase as compared with the preceding month.

JAPANESE POLICE RAID OPIUM AND DRUG DENS IN TIENTSIN

Opium and drugs of an estimated value of $150,000 were seized June 14 during raids on various centers in the Japanese Concession in Tientsin, according to *Reuters*. The raids, part of of the anti-drug campaign which has resulted from the allegations made before the Opium Advisory Committee of the League of Nations, were made following the arrest of Chen Ho-ling, a native of Shanghai, who is alleged to have been a prominent drug trafficker. The raids were carried out by detectives who belong to the special department of the Japanese Consulate. Three large hotels under Chinese management, which are alleged to have been the headquarters of the leading gangs, were among the places raided. One of the hotels was occupied exclusively by drug traffickers.

KOREAN ARRESTED IN PEIPING FOR FORGING BANKNOTES

A Korean by the name of Chang Cheng-kuo was arrested June 11 at a hospital outside Hopingmen by the Nanking police on charges of forging banknotes. More than $800 of forgery notes of the Central Bank of China, the Bank of Communications and the Hopei Provincial Bank were seized. He was later handed over to the Japanese Embassy police.

Miyoshi, a Japanese constable of the Japanese Concession in Tientsin, received slight wounds in the leg June 10, when he was fired at by one Mrs. Chen Ho-lin during a raid at her home, reported *Central News*. The Japanese police searched Chen's home following the receipt of a report that he was engaged in drug traffic. Although the search was fruitless, her husband was taken into custody. Incensed at the detention of her husband Mrs. Chen drew her revolver and opened fire at the intruders. Both Chen and his wife are now being held in the Japanese police office for questioning.

Smuggling activities are again rampant in the surrounding districts of Tientsin because the Customs preventive forces are too weak to combat the smugglers. Unless informed beforehand, they have no effective measures within reach to intercept the movement of a large horde of armed ronin smugglers, reported *Central News* June 11.

DR. ALFRED SZE RETURNS TO CHINA AFTER 23 YEARS OF DIPLOMATIC SERVICE ABROAD

After twenty three years of diplomatic service abroad, Dr. Sao-Ke Alfred Sze, retired Chinese Ambassador to the United States, returned to Shanghai at 9 p.m. June 15 aboard the *President*

Hoover. One of the most widely-known diplomatists abroad, Dr. Sze was accompanied by Madame Sze and their daughter. A large gathering of Chinese officials and friends greeted Dr. Sze at the wharf. Being slightly indisposed, Dr. Sze granted no interview to pressmen, but issued a written statement, which in part reads:

Dr. Alfred Sze

"I am very grateful to all those who have come to meet me here upon my arrival at Shanghai, and to all those who have sent messages or other tokens of welcome. I have lived abroad during the past twenty-three years except for brief intervals when I visited home on leave. This has been due to the fact that, during these years, I have had laid upon me the respeonsibility of representing our country at the capitals of the United States and Great Britain. In addition, I have been called upon to act as spokesman of our Government at a number of important international conferences, among which I might mention the Washington Conference of 1921-1922, and the two so-called Geneva Opium Conferences of 1924-1925. Also I have had the privilege of representing the country in the Assembly of the League of Nations, and at the table of the Council of the League in the Fall of 1931. It will be remembered that it was at this meeting of the Assembly that China was unanimously elected a Member of the Council of the League, and that it was almost immediately thereafter that the Manchurian controversy was brought before the Council. The result was that the chief burden of representing and defending China's rights fell upon my shoulders—a burden which I was compelled to carry until the time when agreement was reached in December, 1931, for the appointment of the Lytton Commission of Enquiry. At all times I have appreciated the trust and confidence the Government has placed in me; and I, on my part, have always sought to justify that trust and confidence. In these long years of service abroad I have tried to the utmost of my ability to maintain the dignity of my country, to uphold her interests and to defend her just rights. Sometimes I strived under trying circumstances, and, I am vain to think, there has been some measure of success." Finally Dr. Sze said that his plans for the immediate future are not yet definitely formulated. But his first desire is for a good rest.

GEN. CHIANG URGES STUDENTS TO GO INTO RURAL WORK

Generalissimo Chiang Kai-shek rallied the nation's university, college and middle school students to go into the rural districts to do welfare work during the summer vacation in a press interview given at Kuling June 15. Considerable progress has been achieved in the field of reconstruction in China during the last few years, Gen. Chiang said. But if one goes into the rural regions, the Generalissimo added, one will be struck by the bankrupt rural economy and the plight of the peasants. As long as rural economy and the life of the farmers are not improved, the Generalissimo stated, we cannot say that our revolution and the task of national rejuvenation have been consummated, as rural rehabilitation is the most important foundation of all reconstruction enterprises. Spiritual reconstruction, according to Gen. Chiang, is the common task of the whole nation. In order that this message may be carried to the masses, he said, somebody should take the lead. Such lead, the Generalissimo emphasized, naturally falls on the nation's youth, especially the students.

With the Kuling office of the Executive Yuan functioning as from July 1, the 320th meeting of the Yuan will be held there on July 6. The meeting will be presided over by General Chiang Kai-shek, President of the Yuan, in person and attended by the various Ministers and Chairmen of Commissions, who will proceed to Kuling before July 3.

SZECHWAN AND SIKONG ARMY COMMANDERS SUPPORT REORGANIZATION PLAN

Unconditional support to the military readjustment program for Szechwan and Sikong troops has been expressed by army commanders in the two provinces. In separate interviews granted to the *Central News Agency*, three of the most influential army commanders in Szechwan and Sikong expressed June 13 their readiness to proceed to Nanking, if necessary, to personally receive instructions from the Central authorities. The three commanders are Lieut.-Gen. Teng Hsi-hou of the 45th Army, Lieut.-Gen. Li Chia-yu of the 47th Army, and Gen. Liu Wen-hui of the 24th Army and concurrently chairman of the Sikong Provincial Organization Committee. Stressing the necessity of nationalizing all Szechwan and Sikong troops, all three commanders unanimously voiced their hearty allegiance to Gen. Chiang Kai-shek, President of the Executive Yuan, as the National Leader.

The newly created Szechwan and Sikong Military Affairs Repabilitation Commission will be formally inaugurated within this month, *Central News* reported June 10. Both Central and Szechwan authorities are hoping that General Ho Ying-chin, Minister of War, will head the new commission, so that the readjustment of the military affairs of the two outlying provinces will be supervised by able hands. General Liu Hsiang, Chairman of the Szechwan Provincial Government, and General Ho Kuo-kwang, acting Director of the Generalissimo's Provisional Headquarters at Chungking, have been nominated as vice-chairman of the new organ.

Gen. Liu Hsiang, Chairman of Szechwan, is expected to visit Kuling in the near future to report in person to Gen. Chiang Kai-shek, President of the Executive Yuan, on the political and military affairs in Szechwan and Sikong and seek instructions from the Generalissimo. Lu Tso-fu, Szechwan Reconstruction Commissioner, called June 12 on the Generalissimo, who highly commended Gen. Liu for his loyalty to the Central authorities.

Carrying with him an autographed letter of General Chiang Kai-shek, Kwan Chi-yu, Special Finance Commissioner for Szechwan, returned to Chengtu from Shanghai by air June 14. Shortly after arrival he called on General Liu Hsiang, Chairman of Szechwan, to report on his mission to Kuling, Nanking and Shanghai. Interviewed by *Central News*, Mr. Kwan said that General Ho Ying-chin, Minister of War, will fly to Chengtu to supervise the work of the newly created Szechwan-Sikong Military Affairs Readjustment Commission as soon as concrete plans for military rehabilitation have been mapped out. No definite decision, he added, has yet been made as to the proposed visit of General Chang Chun, Secretary-General of the Central Political Council, to Szechwan.

TSIEN TAI FORMALLY APPOINTED CHINA'S FIRST AMBASSADOR TO BELGIUM

Dr. Tsien Tai, Minister to Spain since September 1933, was formally appointed June 11 by the National Government to the post of the first Chinese Ambassador to Belgium. Dr. Louis Ngao-siang Tchou, Minister to Belgium since May 1935, was transferred to become Minister to Spain. Forty nine years of age, Dr. Tsien is a French returned student, having graduated from the University of Paris with a L.L.D. degree. For the past 20 years Dr. Tsien has been in China's foreign service.

TWO TUNGPEI ARMY COMMANDERS ASSUME THEIR NEW POSTS

Gen. Ho Chu-kuo, Deputy Director of the Generalissimo's Provisional Headquarters at Sian, was formally sworn into office June 14. Gen. Liu Shih, Pacification Commissioner for Honan and Anhwei now visiting in Sian, administered the oath.

General Yu Hsueh-chung, Pacification Commissioner for Kiangsu and concurrently Commander of the 51st Army, arrived at Tsingkiangpu, northern Kiangsu, from Yangchow by boat June 13. He was given a hearty welcome at the wharf.

A five-point reconstruction program for Shensi for the 26th fiscal year has been announced by Gen. Sun Wei-ju, Chairman of the Shensi Provincial Government. The program includes promotion of river conservancy, extension of afforestation, prevention of natural disasters, reclamation of waste land and completion of a network of power plants.

The results of the two meetings at Kaifeng of the Honan-Anhwei-Kiangsu Military Affairs Readjustment Committee are very satisfactory, a spokesman of the Committee announced in an interview June 4. The plans for the readjustment of the former North-eastern (Chang Hsueh-liang) troops had already been agreed upon last month between General Liu Chih, Chairman of the Readjustment Committee, and the principal North-eastern military commanders in the Capital, the spokesman said. These were transmitted by the Central authorities to the Committee in a secret order and made known by General Liu Chih at the first meeting of the Committee. Thus, only the measures and procedure relating to the enforcement of the readjustment plans were considered at the two meetings last week. The procedure drawn up by General Liu Chih having been adopted at the meeting, the reorganization of the various troops is expected to be complete by the end of this month. In the readjustment of the troops, the Committee will be guided by two principles. They are to nationalize them during the first stage and modernize them during the second.

KWANGTUNG OFFICIAL ARRESTED FOR MANIPULATING SILVER MARKET

Taking a firm stand in checking market speculations by officials, Gen. Chiang Kai-shek, President of the Executive Yuan, recently ordered the arrest of Tsou Min-chu, member of the Kwangtung provincial government, *Central News* reported June 14. Tsou, who was charged with manipulating the silver market, it was further learned, had already been taken to Nanking under escort of Peace Preservation Corps members.

Movements and Appointments in Diplomatic and Official Circles

W. H. Donald, adviser to General Chiang Kai-shek, this week proceeded to Kuling, where he will probably stay until September.

Eiji Amau, the newly appointed Minister to Berne, arrived back in Tokyo this week from a three-weeks tour of China and Manchukuo.

The *Shanghai Mainichi* hears that Chen Lih-fu, important Kuomintang figure, has been slated to be Mayor of Nanking in succession to Ma Chao-chin,.

In identic telegrams to the presidents of the Control, Legislative, Examination and Judicial Yuans, Gen. Chiang Kai-shek has invited them to go to Kuling in the near future for a conference.

On the recommendation of Dr. H. H. Kung, Minister of Finance, it has been decided that Hsi Te-ping be relieved of his duties as Superintendent of the Hankow Customs; and that he be appointed Director of the Central Mint.

T. V. Soong, Chairman of the Board of the Bank of China, departed for Canton this week by steamer. Mr. Soong will make an extensive investigation of financial conditions in Kwangtung and also the various reconstruction projects now being pushed in the province.

In response to a summons from General Chiang Kai-shek, Lu Tso-fu, Provincial Commissioner of Reconstruction for Szechuen, this week proceeded to Kuling where he conferred with General Chiang Kai-shek on measures for the promotion of economic reconstruction in Szechuen.

Admiral H. E. Yarnell, Commander-in-Chief of the American Asiatic Fleet, reviewed the United States Marine Corps at Peiping June 11. After attending a luncheon by Nelson T. Johnson, the American Ambassador, he paid courtesy calls on Mayor Chin Te-shun and other local officials. He will leave for Chinwangtao June 23.

For the second time within a month, Marshal Feng Yu-hsiang, Vice-President of the Military Affairs Commission, passed through Wuhu June 22 on his way back to Shao Hsien, his native town. In an interview Marshal Feng said that the purpose of his second visit to his native place is to bring back some seedlings of various kinds of trees for his native people.

Gen. Yu Hsueh-chung, Pacification Commissioner of Kiangsu and formerly commander of the North-Eastern troops in Kansu, arrived in Hweiyin, Kiangsu, June 13 from Yangchow. According to Gen. Yu, Gen. Chang Hsueh-liang, who together with Gen. Yang Hu-chen staged the Sian revolt last December, will go abroad in the near future.

Metropolitan Native Goods Corporation Formally Inaugurated

The Metropolitan China Native Goods Corporation was formally inaugurated in Nanking June 10. The inaugural ceremony was held at the Nanking branch of the Bank of China, and was attended by Wu Ting-chang, Minister of Industry, and over 60 shareholders. Dr. Chou I-chun, Administrative Vice-Minister of Industry, presided. In the course of an address, Minister Wu Ting-chang exhorted the shareholders to promote the sale of native goods, not only for financial profit but also for the nation's economic welfare.

Long Distance Phone Inaugurated Between Nanking and Kweichow

Long-distance telephone service between Nanking and Kweiyang, provincial capital of Kweichow, was formally inaugurated June 10. First greetings were exchanged between General Ho Ying-chin, Minister of War, and Lieut.-General Hsueh Yo, Acting Chairman of the Kweichow Provincial Government.

Fukien to Float Highway Bonds

The Fukien Provincial Government will be permitted to issue highway bonds to the value of $960,000 according to the Ministry of Finance. It is reported, however, that the request of the Fukien Provincial Government to issue further Electric Bonds of $720,000 will not be permitted in the near future, as the security pledged by the Fukien authorities is regarded as insufficient.

Banks to Invest in Wenchi Paper Mill

The Bank of China and the Bank of Communications will jointly invest $500,000 in the new Wenchi Paper Manufacturing Company, Ltd., it is learned at the Ministry of Industry. As the commercial shares amounting to $1,700,000 have already been fully subscribed, the Ministry of Industry has undertaken to transfer $500,000 of the Government shares in favor of the two banks. After the transfer, the Government shares will be reduced to $1,000,000.

Japanese Ship Smuggles Tayeh Iron Ore

A Hankow message in the *Sin Wen Pao*, June 15 stated that a Japanese ship was found at Huangshihkong engaged in the smuggling of iron ore out of China from the Tayeh mine. The ship carried over 300 tons of iron ore. It was reported that the ship has travelled between Hankow and Japan for 40 years and if it carries iron ore every trip without paying the necessary taxes, the surreptitions gain alone would amount to $1,000,000.

Nanking-Shanghai Railway Has 3-Year Program of Improvement

A three-year improvement plan, drafted by the Nanking-Shanghai Railway Administration, has been formally approved by the Ministry of Railways. The improvement program, which requires about $23,300,000 for execution, includes the following: installation of automatic electric signals, replenishment of locomotives and coaches, doubletracks on the Shanghai-Soochow section, and the strengthening of the bridges along the whole line.

Ling Hung-hsun Inspects Railway Conditions in South China

Ling Hung-hsun, Managing-Director of the Canton-Hankow Railway, arrived in Canton from Hankow June 11 to inspect railway conditions. He called on General Wu Te-chen, Chairman of the Kwangtung Provincial Government, and Tseng Yang-fu Political Vice-Minister of Railways and Mayor of Canton and then conferred with Chen Po-chuang, Manager of the South China Rice Trading Corporation, concerning the transport of Hunan rice to Kwangtung by the Canton-Hankow Railway.

British Government Refuses to Abolish Tea Duty

The British House of Commons June 10 rejected, by 185 votes to 119, the proposal submitted by the Labor Opposition to abolish the tea duty. Sir John Simon, Chancellor of the Exchequer, pointed out that abolition would cost £7,000,000 a year and he could not take that amount from the Budget. A Labor member for the Hillsborough division of Sheffield said that teas which a few years ago were selling wholesale at sixpence per lb. were now b inging from 15d to 16d. per lb. The Food Council is now inquiring into this matter.

Marine Department of Chinese Customs Issues Report on Shipping Situation

The annual report of the Marine Department of the Maritime Customs issued last week, is a volume of some 450 pages and containing graphs and charts of numerous harbors in China. It is replete with information on the shipping situation both in Shanghai and elsewhere. The volume, which has been compiled by the Statistical Department of the Inspectorate General, notes that a slight decrease was recorded here last year in the tonnage entering the port, due partly to the U.S. shipping strike. Total tonnage piloted in 1935 into Shanghai was 16,754,882 and in 1936 16,078,643.

British ships entering numbered 1,006 and American 529. Others were: Japanese, 497; Norwegian, 269; German, 243; Netherlands, 187; French, 158 and Danish, 104. The total number of vessels, including those trading under Inland Waters Regulations, entering and clearing the port of Shanghai during the year 1936 was 45,671, with a total registered tonnage of 37,651,208. The total number of junks entered and cleared at the Nantao sub-office during the year 1936 was 69,099.

The largest vessel entering the port was the *Empress of Japan*, 644 feet in length, 83.6 feet in breadth, of 36,032 gross tonnage, with a draught of 29 feet. The deepest-draught vessel to enter and leave the port was the American s.s. *President Coolidge*, 615.6 feet in length, 81.3 feet in breadth, 21,836 gross tonnage, 31 feet 3 inches draught.

"Cavalcade" of China to Be Filmed, If Plans Approved

A talking picture tracing the history of China from the Sino-Japanese War through the revolutionary period and up to the present, dwelling particularly on the Nationalist Northern Punitive Expedition in 1926 and including some of the highlights in the life of General Yuan Shih-kai, Dr. Sun Yat-sen and Generalissimo Chiang Kai-shek, is now being planned in Hollywood, according to the *Lih Pao*. The film, if approved by the Chinese authorities, will be based on the book "Cavalcade of China" written by an American author.

According to the journal, Dr. C. T. Wang, the new Chinese Ambassador to the United States, has already read the book and signified his willingness to negotiate with responsible parties for filming the story. It is also reported that the author is now making arrangements at Washington and Hollywood. The picture will be over 10,000 feet long and the Chinese students now studying the United States will be invited to take prominent parts in the film. All the dialogue will be in English.

If arrangements are successful, the picture will be produced jointly by Chinese and American film companies. Six per cent of the film will be made in Hollywood while the rest will be made in Nanking under the auspices of the Central Movie Studio. It will include background shots of China's air and military forces and the speeches delivered by Generalissimo Chiang Kai-shek before the Chinese Army.

Soviet Military Court Sentences Eight Army Leaders to Death—Bodies Cremated

EDITORIAL NOTE:—A wave of executions has once more swept over the Soviet dominions. Whether one accepts the caustic comment of the exiled Trotsky that "those interested in the defence of their country have been made the victims of those interested in self-preservation," or whether one accepts the official Soviet declaration that those who have been executed were caught red-handed in plots with one or more of the Fascist countries, the outstanding impression that impinges on one's consciousness is the utter ruthlessness of the procedure. Miss Dorothy Thompson (Mrs. Sinclair Lewis) is one of the latest writers to call attention to the fact that the World War instead of making the world safe for democracy (a theme which was constantly sounded by the late President Wilson) has instead, to a large extent, made the world safe for dictators. If the Soviet, or the Hitler, or the Mussolini line of action were to be adopted in the United States, it would mean (for example) that if President Roosevelt found that any of the Senators were "knifing" his Supreme Court reform measure, he would have them tried before some secret tribunal and see to it that they were executed, or if General Pershing disagreed with the President on some line of foreign policy, he might meet a fate similar to that which overtook various Soviet military leaders. The spirit of violence in the United States nevertheless makes itself evident in other directions—for example, in connection with current labor troubles. That those who believe in the theory of democracy, even in the United States, must be on the alert has been evidenced on a number of occasions. As an example it may be mentioned that until the matter was "exposed" by radical writers some years back, the American Army Regulations contained a paragraph under the heading of "Democracy," in which a slashing attack was made on it as a principle. The offending paragraph has since been removed.

In the sense that Russia's military power in the Far East has been weakened as the result of the recent executions—some of those executed were particularly conversant with Far Eastern military matters (the best-informed of all, Marshal Bluecher, forced to take part as a judge in the trial evidently against his wishes, is stated to be already under suspicion—Japan's position on the Asiatic continent has become more favorable. However, it is to be noted that these onslaughts on the power of the Soviet Army indicate that Stalin and his advisors will from now on revert more closely to the former policy of Communism, from the propagation of which Japan in the end may suffer more severely than from any mere Soviet military power.

A mass trial of Soviet Army leaders was held in Moscow, June 11 before a special tribunal of the Supreme Court, composed of the presiding judge, V. V. Ulrich, who is chairman of the Military Collegium; J. I. Alksnis-Astroff, Assistant People's Commissar for Defence and Chief of the Air Force; Marshal S. M. Budenny, Inspector of Cavalry; Marshal Blucher, Commander-in-Chief of the Far Eastern Red Army; Marshal Shaposhnikov, Chief of the General Staff of the Red Army, and four Commanders of Military Areas. The mass trial was held as part of a continuing "purge" of the Red Army carried out by Joseph Stalin, the Soviet Dictator, which, according to observers, showed that the political elements in Russia were winning an important victory over non-Communist tendencies among commanders of the Red Army.

One of the accused, Marshal Tukhachevsky, was for many years the right-hand man of Marshal Voroshiloff in the Commissariat of Defence. Early in May the post of head of the General Staff of the Red Army was taken away from him and a minor office in the Volga district substituted. The latter post was also taken from him early last week. Almost simultaneously General Yakir, who was recently appointed to a strategical post in the Leningrad district, was also dismissed.

M. Stalin's object for the moment appears to be more concerned in making the Army Communist-minded again than with its purely military efficiency. There is no evidence suggesting that the dethroned generals were against M. Stalin, although that possibility is not ruled out. It is believed in Moscow that their offenses were sins of omission rather than of commission, and that in training the Army they were apparently neglecting politics. They were striving to made the Red Army a great patriotic Russian army, whereas M. Stalin requires the army as a patriotic instrument with the Party.

The accused, who were arrested at various times, were charged with violation of military duty, high treason, betrayal of the peoples of the U.S.S.R., betrayal of the workers, the peasants and the Red Army.

The investigation had established the complicity of the accused, a Soviet communique stated, as well as of M. Gamarnik, Soviet Vice-Commissar of War, in having anti-state connections with leading military circles of one foreign State which pursued an "unfriendly policy against the U.S.S.R."

Further charges which the investigation had established, according to the communique, were: That the accused had been in the employ of the military intelligence of this foreign state: that they had systematically supplied military circles of this state with information regarding the Red Army; that they were engaged in wrecking activities for the weakening of the might of the Red Army; that they had attempted to prepare, in the event of a military attack upon the U.S.S.R., for the defeat of the Red Army, and that they aimed at the restoration to power of landlords and capitalists in the U.S.S.R. All the accused pleaded guilty to the charges against them.

Marshal Tukhachevsky and seven companions, after being sentenced to death by a secret military tribunal at Moscow June 11 for treason, were executed, according to an official announcement made June 13. It is believed that the bodies were cremated after execution.

The eight Army leaders who paid the supreme penalty were:

Marshal Tukhachevsky, Imperial nobleman who became the righthand man of the Defence Commissar, Marshal Voroshiloff; General Yakir, formerly Commander-in-chief of the Ukraine; General Putna, former Soviet Military attache in London; General Uborevich, former White Russian commander who successfully fought Generals Denikin and Wrangel in the civil war; General Feldman, chief of the Red Army personnel; General Kork, former commander of the Moscow garrison; General Eideman, president of the Chemical and Aviation Research Society; and General Primakoff, commander of the Kharkoff garrison.

White Russians in Shanghai Lament Marshal Tukhachevsky

The death of Marshal Tukhachevsky is mourned by many White Russian residents of Shanghai, for although he was a Red leader, the dead General was highly respected by many exiles. The noted military leader was especially admired for his genius as a strategist and because he had managed to remain in power despite the fact that he had been with the Tsarist forces before the revolution. Tukhachevsky, whose execution brought to a close a most remarkable career, was taken prisoner by the Germans during the war and won the confidence of Lenin upon his release in 1917. White Russians in Shanghai feel that he was the "backbone" of the Red Army and that it will be immeasurably weakened because of his untimely execution.

MARSHAL MIKHAIL TUKHACHEVSKY

Formerly Chief Assistant to Marshal Voroshiloff.—One of the principal officers found guilty and executed.

Marshal Voroshiloff's Denunciation

The fact that the executed Red Army leaders had planned to murder leaders of the Communist Party and the Government was

TWO OF THE JUDGES AND THE CHIEF ACCUSER AT THE MOSCOW MILITARY TRIAL

MARSHAL BLUCHER (ALIAS GALEN)

Chief Commander of the Far Eastern Army, and one of the members of the Special Military Court in Moscow.

J. I. ALKSNIS-ASTROFF

Assistant People's Commissar for Defence and Chief of the Air Force—Member of Military Court.

MARSHAL K. E. VOROSHILOFF

Chief Commander of the Soviet Military and Navy Forces—Principal Accuser at the Special Military Court at Moscow.

charged in a special message to the Red Army issued June 13 by the Commissar for Defense, Marshal K. E. Voroshiloff.

The message announced that an extraordinary session of the Government and the Soviet War Council had been held from June 1 to June 4, at which Marshal Voroshiloff had submitted a report concerning a "treasonous, counter-revolutionary, military and Fascist organization" which had been uncovered by the Commissariat for Internal Affairs.

The Defense Commissar alleged that the executed men had:

1. Sold information to a Fascist state;
2. Made efforts to expedite an anti-Soviet war;
3. Planned to sabotage arrangements for the supply of materials to the front during war-time and
4. Planned to seize power in the U.S.S.R. and cede the Ukraine to Germany.

Marshal Voroshiloff's message concluded by urging renewed devotion and loyalty to the Army "in order to liquidate the damage done by the traitors."

Wholesale Executions at Khabarovsk

From Khabarovsk come reports of wholesale executions of "conspirators" and "public enemies," 87 of whom have been executed in the small town of Svobodnoi since early May. Of these 28 were recently shot on charges of Trotskyism and as Japanese spies; 44 were dispatched in the same summary fashion on May 9, 11 and May 15.

More High Officials to Be Tried

Widespread rumors are current in Moscow that several high officials will shortly stand trial for alleged Trotskyist activities, the Moscow correspondent for *Le Temps* reported June 15. The officials under arrest allegedly include: Auker, high O.G.P.U. official, Guekker, chief of foreign relations of the Commissariat for National Defense, Karakhan, former Ambassador to China and Turkey, Marcel Rosenberg, former Ambassador to Spain; Krestinski, Assistant Commissar of Justice; and Rudopuilk, Assistant member of the Political Bureau. *Le Temps*' correspondent added that extraordinary measures are being taken to protect the life of Joseph Stalin, and that Karl Radek and Sokolnikoff, whose lives were spared in the course of a former trial, have made new revelations which provided the motive for new imminent arrests.

Japan Army Spokesman Says Stalin Regime Still Secure

It is a mistake to assume that Joseph Stalin's power has been vitally affected by last week's Army trial in Moscow, Col. Kikosaburo Hata, official spokesman for the Japanese Army, said June 15. If Mr. Stalin succeeds in purging the Army and the Communist Party of "heterogenous" elements, his power would, according to the Japanese officer, be greatly enhanced. It was Mr. Stalin's confidence in his ability to carry the purge through that enabled him to bring the eight Army leaders to trial last week, Col. Hata added.

Last week's purge was intended by Mr. Stalin, according to the Army spokesman, mainly to "inject life into the Russian people, whose enthusiasm has been dulled with the successful completion of the Five-Year plans." Col. Hata said he could not believe the Soviet Government's charges that the eight Red generals shot over the week-end were guilty of treason, in conspiracy with "a certain foreign country."

According to the Moscow correspondent of the *Petit Parisien*, M. Agrano, former assistant to the Home Commissar (head of Russia's Secret Police, the G.P.U.), has been dismissed and is being kept a prisoner in Sardateff on the Volga. Others, of whom the wife of the Foreign Commissar, Mme. Maxim Litvinoff, is one, and M. Prokofieff, second assistant to the Postal Commissioner, is another, are also reported to have suffered the same fate.

Agrano was for many years first assistant to the Postal Commissioner Yagoda, who was ousted from his position recently on grounds of debauchery and embezzelment of State funds. According to certain sources, Commissioner Yagoda is soon to go on trial.

Mme. Litvinoff, is one of the outstanding business women in the Soviet Union. She has been missing of late from diplomatic functions in the capital, and is said to be in exile at Sverdlovsk in the Ural mountains.

M. Zimine, Assistant Commissar for Communications, has been deprived of his functions and replaced by M. Alexis Baxuline. The deposed official had recently been elected Secretary-General of the Communist Party in Yaroslay.

The name of Marshal Yegeroff, who succeeded Tukhachevsky as Deputy War Commissar is mentioned among the next possible victims. The Riga correspondent of the *London Times* observed that it is curious that Yegeroff's name has not been mentioned in connection with the recent decisions and points out that a similar silence marked the beginning of the end of Tukhachevsky's career.

"Shun Pao" Comments on the Execution of Soviet Military Officers

Declaring that the execution of eight Soviet military officers is of great importance to Soviet Russia's foreign relations, the *Shun Pao* in an editorial wrote:

"It is not difficult to guess with which country these officers were connected. It may be recalled that some time ago reports were current to the effect that Soviet-German relationship would be improved as the German military officers were in favor of co-operating with Soviet Russia. These reports aiming at destroying the friendly relations between Soviet Russia and France are fabricated by the Germans but flatly denied by the Soviet authorities. It must also be mentioned that the eight Soviet military officers executed were pro-German.

"In reviewing this incident, we believe that the important point is the fact that that Soviet military is controlled by the party and the party is dictated to by the Government policy of the country. That the officers were executed and the Soviet troops were transferred indicate clearly the strong political force in the U.S.S.R."

"Assassinations en masse are the maxim of the Russian state," declared the *Deutsches Nachrichtenburo*, official Reich news agency, June 14, protesting against the statements that the German Government had had any relationship with the eight former Red Army leaders condemned and executed in Moscow last week. "Germany and Hitler could not have had a liaison with either Tukhachevsky or Stalin when it is well known that they are adversaries," the German agency stated.

German newspapers express the belief that the new Ogpu chief, M. Yeshov, was largely responsible for staging the purge that ended in the execution of the eight Army chiefs. M. Yeshov is also held responsible for the further measures which have now

(Continued on page 108)

Japan's Humiliating Education System in the Northeastern Provinces Since 1931

BY HUBERT T. M. SOONG (宋子明)

ACCORDING to the original treaty stipulations, Japan has no educational administration rights whatever in the Kwantung leased territory and the South Manchuria Railway zone. It must be remembered that Japan only succeeded to the rights in Port Arthur, Dairen and South Manchuria Railway originally acquired by Tsarist Russia. Japan, however, disregards the original treaty and ignores Chinese legal provisions, and carries out a comprehensive plan of educational and journalistic activities in and outside of Kwantung leased territory. This kind of Japanese cultural onslaught and encroachment upon China's educational administration is not only an infringement upon Chinese sovereignty but also a defiance of the sanctity of treaties. This was the case already before the Mukden incident. Since the Japanese military occupation of the Northeastern provinces in 1931, the condition has gone from bad to worse. In the following paragraphs, the writer therefore endeavors to give a brief account of the humiliating Japanese educational system in the Northeast in order to make it known to the outside world.

Educational System in the Northeast

For the purpose of facilitating administration in the educational field, Japan established a "Wenchiao Ministry" (meaning Ministry of Culture and Education) shortly after "Manchukuo" was "christened." Under this ministry, three municipal educational bureaus were established in Mukden, Changchun and Harbin respectively, solely for the purpose of governing educational activities in the said municipalities. Apart from these, an educational department was established in each province, eleven in number (because Japan has divided the Northeastern provinces into eleven provinces). Although the head of each of the above-mentioned institutions is a Chinese, the deciding power is held by the Japanese, who is appointed as an "adviser." It is reported that Japan, for the purpose of suppressing educational activities in the Northeastern "Paradise," is endeavoring to reduce the number of schools. According to her plan, it is further reported, there should be only one middle school left in each province, not to mention higher education. Schools established by the Chinese before the Mukden incident should be abolished en bloc. From what we have mentioned above, it goes without saying that Japan's governing policy in the northeast is to make the Northeastern people as ignorant as animals so that they may be enslaved without any murmurs.

New Text-Books Adopted

The Japanese authorities have long contended that the ill-feeling toward Japan which prevails throughout China has been due to "anti-Japanese" teaching in Chinese school books. Therefore, following their occupation of the Northeastern provinces, they appointed an educational commission composed of Japanese and "Manchukuoans" to introduce a new series of school text-books, replacing those which had been used in the Northeast before 1931. The new books, which carry out the Kwantung army's ideas of "Manchukuo-Japanese friendship," have been put into forced use for several years. A perusal of the new books will convince one of the subtle manner in which all statements and references to Japanese agression both past and present have been eliminated. The Japanese have even gone further and eliminated all references which might be designed to make the Chinese patriotic and loyal toward their own country. All references to the late Dr. Sun Yat-sen and his teaching have been eliminated, and, of course, references to the Kuom ntang have been barred completely. What is more, the Japanese military authorities have changed all such terms as "Chinese people" to simple "China," the object apparently being to cause Chinese youths to regard their Chinese fellows in an abstract manner rather than sympathetically as members of one racial family. Besides, Chinese students are compelled to study the Japanese language as the principal subject; while Chinese geography and history are forbidden to be read. In short, any subject tending to stimulate patriotic sentiment is eliminated. This "interference" policy on the part of Japan, however, has not reaped its desired result. On the contrary, it has only served to drive antagonism underground, and make the people more determined to hang on to their patriotic sentiments.

Wholesale Massacre of the Intellectual Class

Shortly after the Japanese military authorities set up "Manchukuo" in the northeastern provinces, they worked out a carefully-planned program for the purpose of suppressing the northeastern intellectual class. In order to carry it out, they on the one hand dispatched groups of spies to different places and cultural institutions to reconnoiter whether there was any "dangerous element," while on the other they despatched their soldiers, gendarmes, policemen and their Chinese traitors to arrest those Chinese intellectuals whom they considered suspicious; in brief, the Japanese can arrest any Chinese they like, without giving even a pretext. Therefore, the number of the Chinese intellectuals arrested and killed in this manner is beyond calculation.

Last winter, when the Suiyuan war occurred and when Pailingmiao was recovered by the national army in a heroic battle against the "Manchukuoan" and Mongolian soldiers instigated by the Japanese, Japan realized that the "Manchukuoan" soldiers on the front still assume an antagonistic attitude toward Japan and thousands of them had even gone over to the Chinese side voluntarily. Japan, much to her chagrin, further realized that the Chinese are not to be trusted. In view of this, they maintained that the reason why the "Manchukuoan" soldiers revolted against them when driven to battle was due primarily to the anti-Japanese propaganda carried out by those Chinese intellectuals in the northeast. For this reason, in a short period lasting from Oct. to December last year, more than five hundred Chinese intellectuals were arrested in Liaoning, under the pretext that they were "opposing both Manchukuo and Japan," While they were in prison in the Japanese military offices, they received bitter punishment; some of them, being physically weak and unable to bear the cruel torture, died immediately; some were put to death; while others were sentenced to life imprisonment. Perhaps it is not out of place here to mention a few of the names of those arrested in order to make the cruel Japanese policy known to the outside world.

The first among those arrested was Teng Chih Chieh, head of Antung Educational Bureau.

The second was Lee Cheng Shang, president of Feng Cheng Junior Middle school and concurrently Chairman of the so-called "Society of Country-defending." After he was captured, he was sent to the Japanese gendarme office in Antung. There, while he was being cross-examined, his two hands were nailed to the wall, and his body was branded here and there. It is learned that after a short time, he died in the Japanese jail.

The third was Chin Yun Pu, president of the Agricultural Senior Middle school in Antung and concurrently vice-chairman of the "Society of Country-defending." Being honest and trustworthy by nature, he was admired and respected by all. But unfortunately he could not escape from the Japanese mailed fists.

The fourth was Sun Wen Fu, honorary Chairman of the "Society of Country-defending" and concurrently president of the Educational Department of Antung province. Being traitorous by nature, he served faithfully as a Japanese spy since the Mukden incident. But, contrary to his expectation, he was arrested.

Apart from what I have just mentioned, all the teachers of the Liaoning Provincial Second Normal School in Feng Cheng, teachers of the Liaoning Provincial Third Normal School in Tunghwa, magistrate of Kuantien-hsien, head of the educational bureau of the same, etc. were all arrested at the same time. Immediately after their arrest, they were put into sacks and carried to Antung by mule carts. There, after a short period of questioning, they were sent to Mukden for execution.

At the time of writing this article, however, there comes another heart-breaking report from Nanking, stating that hundreds of students of the Harbin Technical College were arrested this Spring on the pretext that they were engaged in "secret activities both against Manchukuo and Japan." Whether the Japanese statement is true or not, no one knows. But it is an open matter that the Chinese people, especially the intellectual class residing in the Northeast, are entirely at the mercy of the Japanese Kwantung Army.

Tsingkiangpu, Kiangsu, June 9, 1936.

Why the Average Japanese Family Does Not Want More Friends and Relatives

Setsuo Uenoda, writing in *The Japan Advertiser*, says the average Japanese family cannot afford and does not care to have any more friends and relatives because they have enough of them. Parents who are seeking a bride for their son invariably look for one with the fewest possible relatives. A girl with a few relatives has more chance of marrying than one with many sisters and brothers.

"This attitude of the Japanese people is excusable," says Mr. Uenoda, "when we take into consideration what it means to make new friends and relatives. A man I know told me the other day that he had to spend nearly Yen 20 during the past few months as extra family expenditure because of deaths and births which occurred in the homes of friends and neighbors. In March, he explained, he had to spend more than Yen 10 for dolls for a daughter of a man, who secured his job for him, because it was the first Doll Festival for her. And he is a man to whom the monthly subscription of newspaper is a financial problem. He said that he has had enough of affairs which called for big incidental expenses."

Can Chinese Dress Be Supplanted by Foreign Raiment?

BY T. S. YOUNG

THE caricature of a Chinese college student, as drawn by our artists, is a foreign dressed young man, since foreign dress, in the eyes of our people, is an unmistakable symbol of modernism. Either in or out of school, our college students are attired in stylish foreign raiment, and but for the pigment of their skin, they may be easily mistaken for the Westerners. This is another case of the dictate of fashion. Fashion has made our modern girls wear high-heeled shoes, and it has also made our young men wear foreign dress. High-heeled shoes and foreign dress, as a matter of fact, are Siamese Twins and inseparable. They must go hand in hand, since they are both imported fads. A girl wearing high-heeled shoes is a fit companion only to a foreign dressed man. It is simply a matter of course, and no reason or explanation is necessary. As all our modern girls prefer high-heeled shoes to satin slippers, so all our young men discard their loose and flowing Chinese robes for tightly fitted foreign raiment.

Economy has been often given as an argument in defence of foreign dress. This is a superficial argument, and any one who has any experience with foreign raiment can tell it. We are not living in a tropical region where one suit of clothes can be sufficient for all the seasons. Nor are we in the North Pole, where bear skin can be our daily wear. Here in China, the temperature varies from above 100 degrees in the hot Summer to some degrees below zero in the cold winter, and we have to change our dress almost every season. Thus for a man wearing foreign dress all the year round, he has to keep a wardrobe of five or six suits of clothes of different fabrics. The durability of woollen fabrics is unquestionable, but they are much more expensive than those made of silk or cotton. Therefore it is fallacious to argue that foreign raiment is more economical than native dress.

Foreign dress is also defended on the ground of convenience. I can not see the soundness of this argument either. The time-wasting and patience-taking process of fixing the all-important collar and tie will teach us soon enough whether the wearing of foreign raiment is convenient. Besides we must also give a thought to the comfort of our dress. In the hot Summer days, one can easily imagine the great discomfort to a man who has his neck totally sealed up in a collar, not to mention the closely fitted coat and pants. Would it not be more comfortable to a man to wear loose and flowing native dress made of either silk or linen? Likewise, in the Winter days, a foreign dressed man has to keep on his body a heavy and cumbersome overcoat even indoors, inasmuch as most of our Chinese houses do not keep fire. Moreover, the tight and short sleeves of foreign dress do not give us the comfort of tucking our hands into the sleeves. We generally do not like to wear gloves, and look upon them as a sort of ornament. We really can find no use of them, when we can tuck our hands in our sleeves on cold days.

Fashion Followers Lose Sense of Economy

Thus fashion alone has governed our young men in choosing the style of their dress. In following the fashion, they forget their sense of economy and ignore the inconvenience and discomfort of their selected dress. At the time when we have tried to discard everything Chinese as obsolete and old-fashioned, it is perfectly natural that a student entering a college should carry with him among other things a wardrobe of foreign dress. He must be so attired; otherwise, he will not be looked upon as an equal. Moreover, which of the students will not strive to present an appearance as modern as possible, when in the campus and class-rooms, beautiful and attractive co-eds are on the alert to pick their Princes Charming from the modern young men? In the game of chasing girls, the old-fashioned students have only a slight chance when they are pitted against the modern and foreign-dressed men. With the general adoption of the co-educational system, our institutions of learning have become big hunting grounds, and the male student, in playing the role of a hunter, must present a very modern appearance for the purpose of dazzling the fair prey.

The fashion of foreign dress was already in vogue among the students about seventeen years ago when I was a student at high school, although at that time, the co-educational system was still an unheard-of thing. In my class of some forty students, about ten had one or more suits of foreign dress. We admired those foreign dressed students, and looked upon them as a privileged class; and we would have gladly followed their example, had our means permitted. Many of us who were crazy about foreign dress but had not the means to purchase one suit, had to borrow from our friends who had more than one suit for the use on Saturdays and Sundays. As the demands for foreign dress on Saturdays and Sundays were very heavy, borrowing had to be arranged well in advance in order to insure the procuring. In picture-taking, we wished also to be seen in foreign dress, and many of the photographers had a supply of second-hand suits on hand to meet the demand.

I once had a picture taken in foreign dress provided by a photographer, and was quite tickled at seeing myself in foreign attire. I was so proud of that picture, that I ordered the photographer to print half-a-dozen extra copies for the purpose of presenting them to a few of my relatives and friends. I have still a copy in my possession for a keepsake; but whenever I chance to look at it, I can not help wondering if the picture does not represent that of a comedian; for the collar I wore must be three sizes bigger than my neck and the coat was so loose and large, that it looked the same as a Chinese jacket. However, it must be remembered that at that time we were not very particular about the size of a collar and the cut and style of a dress as the young men today, for any foreign dress, so long as it had plenty of buttons and pockets, appeared in our eyes as being stylish. Our foreign-style tailors, with a few copies of dog-eared and worn-out catalogues, were our advisors on everything from the colour of our neck-tie to the style of our shoes. When we had doubts on any point in regard to foreign dress, we just went to a tailor and referred to his catalogues for decision.

A Man Who Got Rich by Catering to Students

When I ordered my first suit of foreign clothes about sixteen years ago, my tailor brought with him an old edition of a very voluminous catalogue issued by a well-known mail-order house, Montgomery, Ward & Co. He spoke very eloquently about the prevalent style of man's dress and supported his contention by showing me the many illustrations as found in the catalogue. He could speak a little Pidgin English, and claimed that he made the dress for the taipans of many foreign hongs. My school-mates and I had an implicit confidence in him, and paid his service in accordance with his terms without hesitation. He did a thriving business in making the so-called foreign dress for young students. He is still living now, not as an owner of a small tailor shop, but as a proprietor of a big store dealing in piece goods and woollen fabrics. It has been said and believed that he made all the money by playing upon the ignorance and gulliblity of young students.

The young men of today are much more smart and clever than those of sixteen or seventeen years ago. They can rely on their own judgement and knowledge to choose the style of their dress without the need of a tailor's advice. They learn the name of every article from cuff-links to patent leather shoes. They can see from the American films what a well-dressed man should wear. Through the medium of films, many of our young men are just as immaculately dressed as any young man in America or in Europe. Our tailors can no longer fool their customers into believing this or that by the mere exhibition of a few illustrations from old catalogues, and they must keep their fingers on the pulse of man's style as prevailing in the world's fashionable centers, that they may not lag behind the times and lose their business altogether.

As young men, we like to be seen in foreign dress; but as we are growing old, this fashion of foreign dress will gradually lose its hold on us. After we are married and tied down to our family, we would instantly find that there are no more purposes to serve by remaining stylish and attractive in our appearance. We would complain about the tyranny of the collar, the tediousness of fixing the tie, and the inconvenience of wearing closely fitted pants. At an early opportunity, we would go back to our native dress, and with our hands tucked in sleeves, we would invariably wonder how we can tolerate the discomfort of foreign dress? We can find comfort in almost every article of our dress, and take a great delight in commending favorably our soft and light shoes, our loose and big pants, and our wide and large sleeves. Curious it is that when we were young, we would follow fashion to the extent of sacrificing our comfort; but that as we are advancing in age, we become more materialistic, and set a great value on the comfort of our dress even to the exclusion of fashion.

Thus the number of foreign dressed Chinese decreases as their age increases. Many of our returned students, right after their return, will discard their foreign raiment and find a great relief in the wearing of native dress. Rarely can we find a man who is willing to subject himself to the discomfort of foreign dress after his fiftieth year, unless he is too impartial for Western civilization. Among my Chinese school mates of an American university, the majority of them are now wearing Chinese dress, though they are still in the early thirties. In the hot Summer and the cold Winter, even a few foreigners can also be seen in Chinese dress in public. It points out clearly that fashion is far from being an omnipotent thing, which can make us change the style of our dress altogether.

Burma Border Negotiations to Be Discussed at Nanking

A *Reuter* telegram from London, June 3, stated that the next step in the settlement of outstanding questions in connection with the frontier between Burma and Yunnan will be negotiations in Nanking between the British Ambassador, Sir Hughe Knatchbull-Hugessen, and the Chinese Minister for Foreign Affairs, Dr. Wang Chung-hui. The Sino-British boundary Commission, 1936-37, completed its task on April 24 when its report was signed at Yawngpan. The task of this Commission had been defined in terms of reference laid down in an exchange of notes between the British Ambassador and the Chinese Minister for Foreign Affairs.

Japan's Plans to Attack China's "First Line of Defence"

BY C. Y. W. MENG 孟昭漪

THE Province of Shansi is now regarded by the Chinese as China's "first line of defence" against the Japanese aggression. The reason is obvious. With the loss of the Province of Jehol, partial loss of the Province of Chahar (six hsien in the northern part of Chahar are now under the Japanese military occupation), establishment of the so-called Eastern Hopei Anti-Communist and Autonomous Government (under Yin Ju-keng) under the virtual control of the Japanese militarists (Japanese Kwangtung Army), frequent invasion of Suiyuan by the Japanese-Manchukuo forces, and lastly, with the Japanese domination in the political and economic life of Hopei and Chahar, Shansi is indeed the *very* first line of China's defence against Japanese further invasion!

Shansi is very rich in mineral resources. For example: According to the geological survey,* Shansi has 127,115,000,000 tons of coal, or about half of China's total coal estimate (265,-455,000,000 tons). Out of 3,248,000 *kung miao* of coal mining area in the province, only 938,000 have been exploited. Therefore, it is also clear that Shansi is China's "first economic life line" as well as China's first line of defence!

But, on the other hand, it is equally clear that in carrying out the so-called "Continental Policy" in China and in order to be successful, Japan has to break down China's first line of defence, and has to be in control of Shansi. Out of the many reasons for the control of the province is the Japanese desire to supply the industries in Japan with the Shansi coal. So the invasion of Shansi and bombardment of Taiyuan (capital city of Shansi) are not predicted with probability but with certainty. Here is the reason for the insistent Japanese demand for the construction of "Tsangchow (along Tientsin-Pukow Railway to be connected with Taiku—a sea port)—Shihkaichang (along Peiping-Hankow Railway connecting with Taiyuan) Railway," as one of the means of the so-called Sino-Japanese economic co-operation; and here is the reason for the Chinese stubborn refusal to agree.

Col. Wachi, Another General Doihara

To begin with, we have to remember who Col. Wachi is. This Colonel is the head of the Second Section of the Japanese garrison forces in North China, and his sole duty is to take charge of the secret work of the so-called "Special Service." Like his predecessor, the notorious General K. Doihara, the former Director of the Bureau of Special Service, he is equally energetic in his work and faithful in his duty. While the former director of the Bureau of Special Service, as the world still remembers, was once the "brain" of the Japanese militarists, and was instrumental in the "kidnaping" of Henry Pu Yi to Mukden where he was set up as the nominal head of the puppet state (Manchukuo), the chief of the Special Service has also a lot of "plots" up his sleeves.

At a joint meeting held on May 1 in the Japanese Army's Club in Tientsin where the chiefs of the Bureau of Special Service in different places all took part, Col. Wachi was reported to have urged the intensification of the activities of the Special Service on the ground that during recent months, the Shansi provincial authorities have aroused the patriotic feeling of the people, and have organized anti-Japanese associations. Every movement of the Japanese residents in Shansi is now under the surveillance of the Shansi people. Further, he added that the police organization in the hsien throughout Shansi is rather minute, so there is no way to make any progress in the activities of the Special Service. According to the reports from the employees of the Special Service organs, he said, there is every necessity of changing the plan in Shansi and of resorting to more intensified efforts. After four hours of deliberations, the following outlines of the Japanese activities in Shansi were adopted.

Outlines of the Plan For the Invasion of Shansi

(A) *Improvement in the organisation of the Special Service organs in Shansi:*

1.—The Bureau of Special Service in Taiyuan (capital city of Shansi) should be abolished, so as to demonstrate to the outside people the cessation of the activities in Shansi; and all employees of the Bureau should be transferred to Tientsin.

2.—The organization of the provisional Special Service organs in Shansi should be intensified. In provinces, such as Chahar, Suiyuan, Hopei, and Honan which are proximate to the border of Shansi, there should be additional small Special Service organs scattered about in an encirclement of Shansi.

3.—More Shansi natives should be employed in the Special Service organs in the hsien to do the work. The center of the fundamental work should be included in the program in Shansi.

4.—Every Special Service organ in Shansi should report its expenditure individually.

5.—After being assigned, the power of the Special Service organs should be expanded proportionally in accordance with the record of their work done.

6.—The Special Service organs which have been assigned to to do work in Shansi should make reports on Shansi directly to the General Headquarters of the Bureau of Special Service in Tientsin in order to achieve efficiency in the intensification of the operation.

(B) *Change of the fundamental plan of activities of Special Service in Shansi:*

1.—The general outlines of the activities should be decided. The Special Service organs which have been assigned to do the work should take advantage of the opportunity to go on with intensified activities in the hsien bordering Shansi, so as to make the line of operation quickly penetrate the center of the province; and further, to employ a more shrewd form of activities to instigate the pro-Japanese Chinese in different localities to act.

2.—More small merchants, natives of Shansi, who are now scattered about in North China should be "bought over." These people are very simple-minded; and what they care for is profit. "With a small sum of money, we could achieve the greatest results." After being "bought over," and after some preliminary training, they are at once qualified to do the most complicated work. Taking advantage of their return to their native places in Shansi, they could do the "detective" (or investigation) work, and make all necessary detailed preparations. These small merchants are by nature honest and faithful fellows.

3.—More disappointed politicians and militarists should be "bought over." The disposed Chinese officials and disbanded militarists have little national feeling. They are being disposed of by the government, and they are most hostile to the government. Whenever there is a chance, they want to revolt to find their way out, to take revenge, and to destroy unity. This is the only weak point of the Chinese. In the past, the Japanese inperialist militarists have always employed them as the forerunners in their aggression in China; and have always utilized their past influence to enlist the disbanded soliders and to obtain information. The remuneration given to them as an important condition, is both fame and money to satisfy their desire. But as soon as they are "bought over" they must be controlled, and they should not be permitted to go back to the Chinese by leaving them unprotected if they wish to leave the Japanese imperialists, so that they would always be hostile to China and faithful servants to the Japanese imperialists throughout the rest of their lives.

4.—More monks should be "bought over." After preliminary training, they should go to the interior of the province to get information along every line under the cover of preaching buddhism, reading buddhist classics, worship, pilgrimage, religious fasts, etc.

5.—More political speculation elements and members of the cliques should be "bought over." There are many "branches" of the cliques in China. We (Japanese) should help them to do various work in different places for the Japanese imperialists by giving them assistance. For these people are intelligent Chinese, and they could "intoxicate" the other Chinese intelligentsia; and could destroy the Chinese national unification. Their technical ability in such work is fine, so more work could be done by them.

(C) *Definite program in Shansi:*

I.—Military:

(a.) Surveying of strategical places; investigation of military communications, military strength, line-up of the Chinese forces, national defence preparations, anti-aircraft preparations; investigation of the location of the Chinese arsenals, water-works, electricity plants, ammunition stores; investigation of the *min chuan* (militia) organizations, signals of the Chinese armies, changes of places of defence, military equipments—their kinks and distribution, the "armed forces of the masses," communications among villages; and surveying of water-wells, mountains, hills, forestry, trees, bridges, rivers, etc.

(b.) To buy over the corrupt military officials, leaders of the *min chuan*, local gentry; to organize the disbanded

*See "*Chinese Industrial Handbook on Shansi*," Part 5, Chapter 1 on Coal, P. 1.*

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soliders ; "to play off" the higher military officials among themselves and to hinder co-operation between the militarists and people ; to arouse the ill-feeling between the officials and militarists ; to spread terrible rumors ; to propagate the powerful fighting weapons of the imperialist armies ; to instigate the local bandits to re-start their activities ; to bomb and destroy the important military bases, and to buy over the laborers of the arsenal, electricity plant, water works, etc.

II.—Political and Cultural :

(a.) Investigation of the activities of the cliques and other public organizations ; investigation of the present state as well as the activities of the "Shansi Sacrifice and National Salvation Association" ; collection of anti-Japanese publications ; investigation of the relationship between the Shansi provincial authorities and other provinces ; investigation of the activities of the Central Government in Shansi, and other national defence preparations.

(b.) Issuing publications by joining with the Chinese intelligentsia to propagate the many party principles ; spreading terrible rumors ; breaking the unity among the public bodies, and disturbing the political organization, so as to change their emotions from "anti-Japanese" to "anti-Nanking"!

Lastly, the outlines of the plan provide that Col. Wachi will be held responsible for the Special Service activities in Shansi and all the related matters, such as the expenditure, the management, etc. In other words, the so-called "Special Service" organs which could now be found everywhere in the important cities in North China are the instruments of the Japanese militarists to carry out their Continental Policy in China. Unless they are totally abolished and their activities cease, there is no way to improve Sino-Japanese relations.

Nanking, June 11, 1937.

Managing Director of Hankow Journal Executed Following Court Martial

Tang Ching, Managing-Director of the *Hsin Hankow Pao* ("New Hankow Journal"), was executed at Hankow June 11, after trial by court-martial, following conviction on a charge of supplying political and military news to "certain quarters". He was sentenced to death in accordance with the Emergency Law relating to crimes endangering the State. The sentence was approved by the Wu-Han Provisional Headquarters of the President of the Military Affairs Commission.

Over One Hundred Killed in Shensi Riot

A message from Sian dated June 14 in the *Ta Kung Pao* said the city of Shanyang is in the hands of the rebel troops under Ku Ting-hsin. Up to that date, a total of 100 or more merchants had been killed and about 300 members of the Paoantui (peace preservation corps) had been killed and injured by the rebels. The Provincial Army has been ordered to start a big drive on the rebels.

Huge Seizures of Drugs Made in Japanese Concession at Tientsin

Opium and drugs of an estimated value of $150,000 were seized at various centers in the Japanese Concession in Tientsin June 14. The raids, part of the anti-drug campaign which has resulted from the allegations made before the Opium Advisory Committee of the League of Nations, were made following the arrest of Che Ho-ling, a native of Shanghai, who is alleged to have been a prominent drug trafficker. The raids were carried out by detectives who belong to the special department of the Japanese Consulate and who are distinguished from the uniformed police whose duties are similar to those of the municipal policy in the other concessions. The police directed their attention to a host of heroin dens in the notorious quarters in the vicinity of the Japanese Bund and the Chinese City. Three large hotels under Chinese management which are alleged to have been the headquarters of the leading gangs, were among the places raided. One of the hotels was occupied exclusively by drug traffickers.

The principal opium dealers escaped, and consequently most of the persons arrested were underlings.

Thousands of opium and heroin addicts have been arrested since the anti-drug campaign in the Japanese Concession began.

Meanwhile the Korean Residents Association in Tientsin under orders from the Japanese police, has warned Korean drug dealers that they must change their business.

The Chinese Municipal Police in Peiping estimate that nearly 300 Korean families are engaged, more or less openly, in the manufacture and sale of narcotics. A police official lamented the hopelessness of the task of drug suppression because of the protection afforded by extrality. Attempts to search suspected premises were invariably resisted so, in order to avoid complications, co-operation with Japanese Consular Police had been sought with a view to arranging joint visits of inspection. This, however, had so far produced meagre results as only seven such visits had been carried out during the first four months of the year, the police official declared.

All the Chinese police could do was to arrest Chinese drug addicts leaving the root of the evil untouched, he added.

Geneva's Opium Committee Appeals to China and Japan

A resolution appealing to the Chinese and Japanese governments to co-operate in combating the clandestine manufacture of drugs and the illicit traffic in them was adopted by the Opium Advisory Committee of the League of Nations at Geneva June 9.

Previously Mr. Yokoyama, the Japanese delegate, informed the Committee that he had cabled summaries of its discussions to his Government, which had replied that the information before the Committee exaggerated the quantity of heroin manufactured clandestinely.

The Japanese Government, he said, was endeavoring to find other means of livelihood of Koreans engaged in trafficking, and was cooperating to put an end to the situation.

The Government of Manchukuo, Mr. Yokoyama added, proposed to introduce a new law providing the same penalties for trafficking in narcotics as in opium.

The draft resolution adopted by the Committee was as follows:

1.—Expressed reliance on the Government of Japan to take immediate and effective steps to put an end to the clandestine manufacture of and traffic in drugs by Japanese subjects in China.

2.—Appealed to the Governments of China and Japan to establish close co-operation, whenever necessary, for the purpose of combating the clandestine manufacture of drugs and the illicit traffic in them.

3.—Recommended the Council of the League of Nations to communicate officially to the Chinese, Japanese and other interested governments the minutes of the Opium Advisory Committee's discussion on the situation in the Far East, with a request for their observations.

4.—Asked particularly the Japanese Government, and all other interested governments, to provide the committee with official information on poppy cultivation and clandestine drug manufacture and use of opium and drugs in Manchukuo.

Tokyo Foreign Office Spokesman "Has No Information" of Japanese Drug Traffic in North China

The resolution passed by the Opium Advisory Committee of the League of Nations last week, appealing to the Chinese and Japanese Governments to co-operate in combating the clandestine manufacture of drugs and the illicit traffic in them, was the subject of questions put to the spokesman of the Tokyo Foreign Office June 11 at his daily conference with pressmen.

Asked whether the Japanese Government would accept the resolution, the spokesman declined to commit himself until he had received a report from Mr. Yokoyama, the Japanese delegate at Geneva. He acknowledged, however, that as a signatory to the 1936 treaty Japan was under obligation to aid in suppressing the illicit traffic in drugs.

Japan, he declared, was contemplating revision of the drug laws to provide, among other things, for stricter punishment of offenders. He had no information, the spokesman pleaded, of the alleged trafficking activities of Japanese nationals in North China. Nevertheless, he found the allegations made at Geneva by Russell Pasha, Director of the Central Narcotics Bureau of Egypt, and Stewart Fuller, the United States delegate, "difficult to believe" and "unimaginable." (Russell Pasha had told the Committee that 500 kilos of heroin were exported from Japanese concessions in China, chiefly to America, while Mr. Fuller declared that 40 to 50 tons of Iranian opium were imported annually into Manchuria for use in the manufacture of morphine and heroin, and that the province of Hopei had become the seat of the world's most extensive manufacture of illicit heroin).

The spokesman urged the Chinese Government to "take definite steps to suppress opium smokers and drugs addicts and thus to end the huge demand, which, in turn, would help to stop the manufacture of drugs."

Official spokesmen in Tokyo, quoted by *Domei*, declared that the Japanese Government was in favor of a close co-operation with the Nanking authorities to reduce the number of opium addicts, thereby cutting down on the demand for drugs. Such action, they hoped, would prove a powerful deterrent to the manufacture and illicit traffic in narcotics.

The Manchukuo Government's opium monopoly and the licensing of opium cultivation, experts here said, were designed to reduce the number of addicts. Information available here indicated that 700 opium addicts were being cured at State expense in Manchukuo each year.

Tokyo Officials Express Surprise at Geneva Figures

Surprise at the large figures concerning the drug traffic in North China presented at the Opium Committee meetings was expressed by Tokyo officials June 11. The allegations that 500 kilograms of opium was being shipped every week from Tientsin, where 200 Japanese-operated heroin factories, employing 1,500 Japanese experts in addition to 10,000 Chinese workers, were in operation were characterized as "too large even if in round figures." Authoritative figures regarding the illicit manufacture of heroin in Tientsin by Japanese could not be obtained here. The Japanese Officials, however, admitted that several Japanese plants in the North China port did manufacture anhydrous acid, which is used in the production of dyes, airplane paints and rayon, as well as in processing opium to make heroin.

League's Opium Board Makes Report on Seizures

Far fewer illicit narcotics were seized throughout the world in 1935 than in 1934, according to the League's Permanent Central Opium Board. The only exceptions were cocaine and Indian hemp.

The chief victims of the illicit traffic were, "as is natural," those countries which still permit the smoking or eating of opium.

The largest quantity was seized in India. Hong Kong, however, is considered to have fared the worst. The raw opium seized there actually exceeded the entire illicit sales of prepared opium in 1935. Large quantities were also uncovered by Soviet Russia and France.

Stirling Fessenden and O. K. Yui Discuss Drug Question in Shanghai

Opium suppression in the International Settlement and the outside roads questions were discussed between Stirling Fessenden, Secretary-General of the Shanghai Municipal Council, and O. K. Yui, Acting Mayor of the Greater Shanghai City Government, June 15. In the interview, which was held at the Civic Center, Mr. Yui explained to Mr. Fessenden the determination of the National Government to exterminate the opium evil in China in accordance with the Six-Year Plan as worked out by Generalissimo Chiang Kai-shek.

As regards the outside roads question Mr. Yui informed Mr. Fessenden that the points raised by the Japanese Consul-General exceeded the province of the question itself, and therefore could not be considered. Should the Japanese change their attitude, Mr. Yui said, the City Government authorities would welcome further discussions on the question.

300,000 Opium Addicts Register in Shensi

Kuo Min says a total of 300,000 opium addicts has registered with the various opium-suppression organs in Shensi. In view of the fact that the opium clinics in the province are at present far from sufficient to accommodate them, the Provincial authorities have decided to open at least one clinic in each district as from July, the beginning of the 26th fiscal year. Hospitals for cure of the addicts will also be established in the larger districts. A draft of the plan will be submitted to the General Association of Opium-suppression Commissions for approval.

Fukien Government Has Extensive Program for 1937-38

BY CHEN FU SHENG (陳福生)

The Fukien Provincial Government has made an extensive program for the next fiscal year (July, 1937-Juue, 1938).

I.—Civil

(a) Civil officers are to be recruited from those who are well-trained for civil service. (b) Purchase and sale of slaves, especially servant girls, are to be prohibited. Bad customs concerning marriage and burial will be improved. (c) Effective anti-opium measures are to be put into execution. (d) Steps are to be taken for training of masses. (e) Price of foodstuffs is to be regulated. Surplus grain is to be stored in granaries of various districts for emergency. (f) Circulating Medical Corps are to be organized and sent to those inland districts where modern hospitals are not available; a leprosium and a special hospital for tuberculosis patients will be established in Foochow; missionary hospitals in various parts of Fukien will be subsidized and improved by public funds; health bureaus are to be established in all hsiens (at present there are health bureaus in 22 hsiens), special attention being paid to promotion of health in rural districts.

II.—Financial

(a) Farming of taxes will be entirely abolished; (b) line of demarcation will be clearly drawn between district taxes and provincial taxes; (c) tax collectors will be carefully chosen; (d) exorbitant rates will all be abolished.

III.—Educational

(1) The current expenses in government, normal and middle schools will be raised 10%. (2) Special emphasis is laid on militarization of middle schools. (3) Scholarships are offered to those middle school graduates who have made good records at school but cannot afford to pay for university education. (4) A medical college will be established at Foochow in the fall of 1937. (5) An exhibition of finished products made by vocational school students will be held in the spring of 1938. (6) Adult education is to be pushed by the establishment of 1,230 adult schools and the unemployed intellectuals who have their names registered in the government will be trained as principals or teachers of adult schools.

IV.—Reconstruction

(1) The highways connecting Foochow and Kutien (North Fukien), Yinting and Taitien (both are West Fukien districts), Mamoi, Liangkiang, and Loyuan, etc., will be completed. (2) With the completion of new highways, new traffic service will be opened, necessitating the purchase of 50 additional buses. (3) For the benefit of tourists, cooperation between the Travel Service here and the China Travel Service, Shanghai, will be sought. (4) Irrigation works in North and South Fukien will gradually be erected. The rapids between Hsuikow and Nanping, osbtructing passage of ships, will be done away with. (5) The Min River conservancy work will be continued. (6) A second wharf will be built at Pagoda Anchorage.

V.—Pacification

To keep peace and order in various districts, the Peace-preservation Corps will be placed under strict discipline (there are now twelve regiments in all). Police reforms will also be introduced.

VI.—Cooperative Societies

Fukien has 62 districts. There are cooperative societies in 44 districts and the cooperative societies of the remaining 18 districts, such as, Yintai, Pinan, Hsiapu, Chinmen, Hwaan, Taitien, etc., will be formed in 1937-38.

Cooperative societies for production and distribution are to be formed of fruit-growers in Foochow, Changchow, Putien, and Sienyou, porcelain-makers in Tehwa, timber-producers in Taining, tea-producers in Chungan, Futing, and Linteh, fishermen in Tungshan, Changchow, and Liangkiang, etc. A sum of $1,500,000 will be raised for cooperative funds. The art of production will be improved by experts.

VII.—Surveying of Lands

The lands in Minhow, Fuchin, Changloh, and Putien have already been surveyed. The lands in Nanping, Changchow, Huian, Yintai, Nantsen, Haitien, and Santuao will be surveyed.

A detailed investigation of waste lands in various districts will be conducted. The lands are to be reclaimed in the near future.

VIII.—Statistics

(1) The Statistics Office of the provincial government will compile a Statistical Year Book, beginning with the year 1937-38. (2) The district governments are required to submit monthly, quarterly, and yearly statistical reports to the Office. (3) Vital statistics will be kept.

Foochow, June 6, 1937.

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Roosevelt Wants 95 Fast New Merchant Vessels

The building of a new fast merchant fleet of 95 vessels is envisaged in the shipping construction program for which President Roosevelt has asked Congress for $10,000,000 to make a start and $150,000,000 for next year's outlay. The fleet would consist of: 60 cargo ships, 24 combined cargo and passenger vessels, 10 tankers, and 1 liner of the Manhattan type.

Half the ships, according to J. P. Kennedy, Chairman of the Maritime Commission, would be laid down in the first year and completed in 18 months. As least $50,000,000 of private capital would, it is understood, be involved. The total cost of the whole program is expected to be $450,000,000 of which $160,000,000 is proposed as a Government subsidy.

C.I.O. Orders Strikes in Mines Owned by Bethlehem Steel Co.

John L. Lewis, leader of the Committee for Industrial Organization, June 14 called a strike of 9500 of this followers in 17 mines owned by the Bethlehem Steel Corporation and the Youngstown Sheet Co. His action has aggravated the already serious situation in the steel industry, for thousands of men in steel plants are at present on strike, the latest to walk out being 15,000 workers employed in the Cambria mills of the Bethlehem Steel Corporation.

Smuggling Again Reported Rampant in Tientsin

Smuggling by water routes in the vicinity of Tientsin regained rampancy with the advent of the Dragon Boat Festival. The Tientsin Customs June 9 intercepted a junk-load of illicit sugar at Yangliuching on the Tientsin-Pukow Railway. The boatman, together with the contraband, was later escorted to the port city.

24 Companies Dealing With Smuggled Goods in Tientsin Suspend Business

Of the 830 companies dealing with the smuggled goods in Tientsin 24 suspended business during the Dragon Boat Festival because of financial difficulties.

Smugglers Given Supreme Penalty in Southwest

Advices from Swatow state that drastic action adopted by the authorities in dealing with traitorous merchants engaged in smuggling activities has dealt a heavy blow to the 'Japanese "special trade" in the Southwest. While Wang Chien-min, a member of the Kuomintang in Chenhai and Hou Yan-chen, leader of the Workers' Union in Chaochow, have been shot for their connections with smuggling activities, another notorious Chinese merchant, a Mr. Wang, was also executed in Chao-an June 10 in accordance with an order from the Kwangtung Army Headquarters.

Further Steps Taken Towards Organization of Central Reserve Bank

The regulations governing the organization of the projected Central Reserve Bank were scheduled to be submitted to the Legislative Yuan on June 17 for approval. They were first given a final examination by the Financial Yuan. The basic principles of the regulations have already been approved by the Central Political Council, so all that now remains before their promulgation by the National Government—the last step in the procedure—is their adoption by the Legislative Yuan.

In accordance with the decision of the Central Political Council, the capital of the proposed Bank is to be fixed at $50,000,000 instead of $100,000,000. This is because various offices, such as the Central Savings Society are to be operated separately instead of conjointly as at first contemplated.

On the organization of the new bank, foreign exchange transactions are to be handled by the Bank of China.

The decision of the Chinese Government to establish a Central Reserve Bank in the near future commends itself to all who set store by the economic rehabilitation of that country, the London *Financial Times* said in a leading article June 9.

"What is wanted in addition," the journal proceeded, "is an assurance that such a body would be free from Government control. This necessity is indicated by the continued uncertainties arising out of the budgetary audit."

The *Financial Times* paid a tribute to the success of China's managed currency; but it pointeds out that the Chinese banks, as increasingly large holders of Government bonds acquired as a result of financing temporary budget deficits, do not possess the independence that they would have otherwise. "The Central Reserve Bank, when it is established, should allay such misgivings."

Students in Peiping to Receive Special Military Training

It is reported by the *Shanghai Mainichi* that students in Peiping and the 29th Army will receive special military training in the western subsurbs of Peiping under the supervision of Gens. Kwan Lin-chen and Huang Chieh, divisional commanders of the 25th and 2nd divisions, respectively. In Haichow, Kiangsu, students of the military academies will stage a serious of national defence maneuvers under the supervision of Gen. Yang Chieh and Gen. Hsiung Ping.

300 University Professors to Receive Military Training in Kuling This Summer?

Utilizing the summer vacation to the fullest extent for the strengthening of the military forces of the country, the *Shanghai Mainichi* says Gen. Chiang Kai-shek has decided to invite more than 300 university professors to Kuling in the summer vacation. These professors will receive military training in the famous summer resort under the direct supervision of the Generalissimo.

Formal invitations to over 200 university professors and civic leader were issued this week by General Chiang Kai-shek, and Wang Ching-wei, Chairman of the Central Political Committee, to meet at Kuling to exchange views and deliberate on plans for cultural and economic recenstruction. Preparations for their reception at Kuling have been completed by the Central Political Committee and the Ministry of Education.

Shanghai "Mainichi" Discusses Proposed Lushan Educational Conference

Commenting on the forthcoming educational conference in Lushan, convoked by General Chiang Kai-shek, the *Shanghai Mainichi* in its leading editorial June 14 stated that the reason for the postponement of the People's Congress, scheduled to take place last November, "was the prevailing anti-Nanking atmosphere among the Chinese Communist troops and the failure of the Nanking Government to pacify the feeling of the general masses; however, owing to a good turn as a result of the Sian incident, the Nanking Government has gained popularity again; nevertheless, the People's Congress has, in fact, become a matter of mere form without substance."

"It should be noted", said the *Mainichi*, that "at the forthcoming educators' conference in Lushan, the conferees will be urged to discuss the problem of the delegates appointed for the forthcoming People's Congress. This conference is the indication that the Government will enquire of the general popular opinion; that is, the opinions of the members who are not Kuomintang members; but these educators are nothing but those who are hired by the Nanking Government. Such a conference is a mere 'smoke screen' of the People's Congress, so as to cover the eyes of the Chinese people."

Dr. Paul Monroe Sees Great Improvement in Secondary Education in China

Dr. Paul Monroe, well-known American educator, arrived in Hankow June 11 from Chungking on the s.s. *Min Pen* with his wife and daughter. In an interview he said that during his recent inspection of the educational situation in various parts of this country, he was greatly impressed by the progress made in the discipline, training and organization of students. With reference to secondary education in China, Dr. Monroe said that, in his opinion, the curriculum of the Chinese middle school student is considerably heavier than that of the American high school student.

Peiping Western Returned Students Club to Become More Active

The Western Returned Students Club, Peiping, organized about 17 years ago, will become a more active and lively club if the plans of its board of directors materialize. At a meeting of the board recently it was decided to appoint three committees, namely, membership, program and social. The membership committee consists of Wang Chun-ni, Dr. S T. Wang, Shotsu King, Hua Nan-kwei, T. T. Lew, Alfred Sun and Wang Yen-hsiang with Wang Chun-ni as chairman. The object of this committee is to get more members.

Nanking, Wu-Han and Chekiang Universities Arrange Joint Entrance Examinations

The Ministry of Education has granted permission to the Central University in Nanking, the Wu-Han University in Wuchang and the Chekiang University in Hangchow to hold joint entrance examinations for the admission of new students for the new academic year next September. Candidates may register in Nanking, Peiping, Hangchow, Shanghai, Wuchang and Canton from July 24 to 28; xaminations will be held on August 1 in these cities.

C. N. Aviation Corp. Receives New Douglas Planes

With the arrival of two new cabin planes from the United States, the China National Aviation Corporation is making plans to improve its services between Shanghai and Peiping. The schedule of planes plying between Shanghai and Chengtu is also expected be improved.

The first of the new Douglas planes arrived this week. This will replace the plane which was destroyed in an accident at Chengtu some months ago. The second new Douglas should be in Shanghai on or about June 23.

These new additions to the Chinese National Aviation Corporation's fleet are exactly the same as those units already in use, with the exception of the big Sikorsky amphibian which plies between Shanghai and Hongkong to meet the Pan-American Clippers. In addition, several smaller Douglas dolphins are used, one having just been put into service between Shanghai and Kiukiang.

Eurasia Aviation Corporation to Open Regular Service Between Peiping and Hongkong

The longest airway in this country will be in operation early next month, when the Eurasia Aviation Corporation inaugurates a regular air mail and passenger service between Peiping, Canton and Hongkong. The application of the Corporation to operate this new service has been granted by the Ministry of Communications. The British Colonial Government at Hongkong has likewise given permission to the Corporation to land its aeroplanes at Hongkong. The distance between Peiping and Hongkong is 2,360 kilometres, and will be covered in 10 hours. Plans for the new service were made four months ago. Trial flights will be conducted during the next fortnight. It is learnt that Junkers tri-motor planes will be used for the new service. Stops will be made at Taiyuan (Shansi) Chengchow (Honan), Hankow (Hupeh), Changsha (Hunan), Chenchow (Southern Hunan), and Canton (Kwangtung). Since the new service is an extension of the Peiping-Hankow Airway, the first three cities along the route are already adequately equipped with landing facilities. Radio stations will, however, have to be erected and aerodrome extensions provided at Changsha, Chenchow and Canton.

Nanking Takes Action to Stop the Tientsin-Tokyo Air-Service

The airplanes operated by the Sino-Japanese Hui Tung Company are carrying mails between China and Japan secretly, according to the Ministry of Communications. In a petition to the Central Government, the Ministry requested the Ministry of Foreign Affairs to take definite action to negotiate with the Japanese authorities concerning the matter.

Objection is also taken by the Chinese authorities against the use by Japanese nationals in Tientsin of Japanese stamps on air mails to Dairen and Japan over the newly inaugurated Tientsin-Tokyo air service under the auspices of the Hui Tung Aviation Corporation.

Mails delivered by the air service, according to reports, are handled by the so-called Public Welfare Society, a Japanese organization in Tientsin. Only mails sent by Japanese nationals are accepted, and Japanese stamps are used on such accepted mails. The organization of the Hui Tung Aviation Corporation, which is a Sino-Japanese concern, has never been approved by the Chinese Government. When the Tientsin-Tokyo airline was inaugurated on June 1, it may be recalled, the Chinese Government ordered the company to stop operation. The order, however, was ignored.

Two Japanese-Piloted Planes to Attempt Trans-Pacific Flight This Summer

Two Japanese-piloted planes will attempt a Trans-Pacific flight, from the United States to Japan, late this summer, the Ministry of Communications announced in Tokyo, June 11. The first plane to take off will be a 450-H.P. *Belanca*, piloted by K. Nakagawa, of Hiroshima Prefecture. Starting from Seattle, he will fly by way of Nome and the Kuriles. His craft has a maximum speed of 248 kilometres per hour and a cruising radius of 4,000 kilometres.

Mr. Nakagawa is the author of the "Wings over the Pacific," published in English early last year. The novel, which immediately achieved great success, deals with the love life of a Trans-Pacific flier. The *Belanca* was purchased with the royalties from the book and donations of Mr. Nakagawa's admirers and well-wishers. The flight will be made in July or August.

Reported Negotiations Between Air France and Luft-Hansa

Interviewed regarding a despatch from Paris claiming that a provisional agreement had been concluded between Air France and the German Lufthansa Company to co-operate in extending the existing air line between France and Indo-China to China, officials of the Eurasia Aviation Corporation in Shanghai June 14 stated that they had no direct information on the matter. It was pointed out, however, that Lufthansa or Air France would hardly be in a position to make agreements having to do with air lines operating within China.

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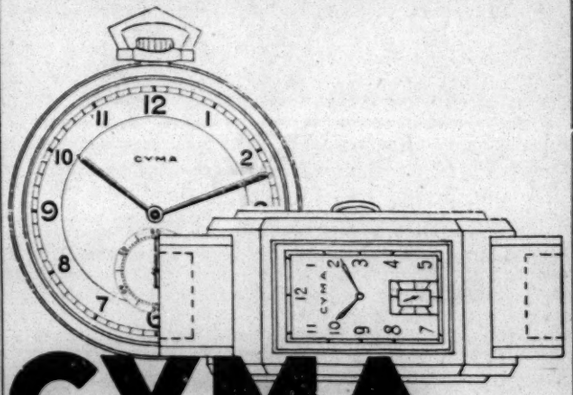

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First Group of Industrial Emigrants for Manchuria Receives Training

Sixty men, comprising the first group of industrial emigrants to Manchukuo, were admitted to the Industrial Emigrants' Training Station in Honjo Ward, Tokyo, June 7. These men will be trained for about a month before being sent to Manchukuo to work in a coal mine near Chiamussu.

Whether more will be sent depends upon the success of this first group, the authorities in charge say. For the past two months the Kwantung Army authorities have been discussing the measures with the War Home and Overseas Ministries as a means of supplying the labor shortage arising in connection with Manchukuo's 5-year industrial development plan.

17,000 Anti-Japanese Volunteers Active in North Manchuria

A Tientsin message in the *Sin Wen Pao* June 11 stated that there are at present 17,000 anti-Japanese volunteers in North Manchuria and that the Japanese authorities are finding it extremely difficult to suppress these volunteers. In view of the activities of the volunteers in North Chahar, the Japanese authorities have decided to introduce the conscription plan in the area. All male adults between the ages of 16 and 40 are ordered to join the irregulars. The plan is to be completed by the end of September.

Tokyo Justice Official to Study Court Administration in Manchuria

With the abolition of extraterritoriality in Manchukuo drawing near, Hatasu Nagashima, Vice-Minister of Justice, departed from Tokyo June 14 for a three-week tour of study of the new Empire's judicial and penal administration.

Manchukuo Bank Is Against Loan to S.M.R.

A suggestion by Yosuke Matsuoka, President of the South Manchuria Railway, about raising a loan in Manchukuo to finance new enterprises of the S.M.R. has not found favor with the Manchukuo Industrial Bank. Mr. Matsuoka, in the course of a statement made in Japan, spoke on the possibility of raising a loan of 30,000,000 yen in Manchukuo for the development of new businesses under the S.M.R.

The spokesman of the Manchukuo Industrial Bank, referring to this suggestion in an interview at Hsinking June 9 declared that it would be preferable for the S.M.R. to float loans in Japan. Any attempt at large-scale financing in Manchukuo, he added, might disturb the money market there. The spokesman declared that negotiations had not yet been officially opened regarding Mr. Matsuoka's suggestion.

Ohashi to Head Hsinking Foreign Affairs Bureau

Chuichi Ohashi, vice-minister of Foreign Affairs, was selected June 12 to become the first director of the Bureau of Foreign Affairs in Hsinking in the new administrative set-up that will go into effect on July 1.

Hsinking-Osaka Radio Service Opened

Public wireless service between Hsinking and Osaka was inaugurated June 13, with a simple and brief ceremony at the offices of the Manchuria Telegraph and Telephone Company in Hsinking. The first-day service, officials in charge said, was "highly successful."

Jehol to Get Huge Power Plant

A huge power plant, which will supply Chengteh, the capital of Jehol, with heat, light and power, will be erected north of the city by the Manchuria Electric Industry Company. The construction work will begin soon. The plant will be complete within three years, at the cost of Yen 2,100,000.

Consuls to Talk on Extrality in Manchukuo

Japanese consular officials stationed in Manchukuo will meet in Hsinking in a two-day conference July 2-3 to discuss the transfer of Japanese administrative rights in the South Manchuria Railway zone to the new State at the end of this year. Shintaro Sato, chief of the Second Section of the East Asiatic Affairs Bureau of the Gaimusho, and Yoshiyuki Hanawa, chief of the Third Section, will arrive in Hsinking early next week to participate in the deliberations.

Over One Thousand Dead Bodies Found in Rivers in Manchuria

In the past five years, over 1,000 dead bodies were picked up from the Liaoho and the Sungari river, according to a Harbin dispatch in the *Hwa Mei Wan Pao*, June 14. It is reported that the number of dead bodies picked up this spring is several times that of the numbers of the previous years. The Japanese authorities are conducting a campaign for the purpose of eliminating all the anti-Japanese elements in Manchuria. Those who did nothing against Japan or Manchukuo but were regarded as suspects or radical in thought were done away with by the Japanese, it is alleged.

Governor General Minami to Proceed to Tokyo

Gen. Jiro Minami, governor-general of Korea, will leave Seoul on June 21 for Tokyo to meet Prince Fumimaro Konoye, the new Premier.

Manchukuo to Renew Efforts for Release of Consular Official Held by Soviets

With the fate of one of its consular officials, arrested by the G.P.U. in Blagovechensk seven weeks ago still unknown, the Manchukuo Government June 12 announced its intention to press the Soviet authorities for an early redress.

Manchuria Gold Firm's Output Sets New Record

Exceeding last year's figures by about 50 per cent, the gold produced in the first five months of this year by the Manchuria Gold Mining Company has been valued at Yen 3,767,000, the *Kokutsu News Agency* reported June 8.

The total production for the year is expected by the concern to reach Yen 15,000,000, the report added. Of the amount of gold mined thus far, Yen 1,241,000 worth of the metal was produced in May.

Japanese Say None of Their Troops Sent to Chahar

The Japanese military authorities in Peiping June 14 emphatically denied a report in the Chinese press that the Kwantung Army had dispatched troops to North Chahar to assist Prince Teh, Commander of the Mongolian forces, to suppress the uprisings of pro-Chinese forces in that part of the province.

Popular Uprisings Protest Against Manchukuo Control of North Chahar

More than a hundred persons have been killed and several hundred others arrested in popular uprisings against Manchukuo control of North Chahar this month, according to estimates contained in Chinese reports received in Peiping June 11. There have also been mutinies among the irregular levies, one of which occurred in Changpei on June 8 when a company of guards attached to the command of the irregular leader, Pao Tze-chen, deserted. The mutineers were pursued by an armored car and mowed down with machine-gun fire.

Yin Ju-keng Returns to Tungchow

Yin Ju-keng, head of the so-called East Hopei Autonomous Government, returned to Tungchow June 10 from Tientsin, where he was received by Lieut.-General Tashiro, commander of the Japanese garrison in North China. A report that they discussed the transfer of the control of Japanese affairs in East Hopei from the Kwantung Army to the North China command aroused interest, as it suggested a weakening of Japanese support of the regime.

Reuter said that exhaustive inquiries, however, failed to discover any confirmation of such a move. At least technically, Japanese affairs in East Hopei have always been handled by the North China Command, but the Kwantung Army has exerted strong influence in the background which, in the opinion of well-informed arrivals from Manchukuo, it will never willingly surrender.

Gen. Sung Cheh-yuan to Return to Peiping June 20

Gen. Sung Cheh-yuan, chairman of the Hopei-Chahar Political Council, will return to his post from Lolin on June 20. It is reported that the Japanese are still pressing hard for economic co-operation despite the "God's Farm" incident.

Japanese Maneuvers in Tientsin—New Barracks Being Built

More than 300 Japanese troops staged a series of maneuvers at Nankwan outside Tientsin city June 13. Additional barracks are being built by the Japanese military in Haikwangshih and Tungchutze.

Hsin Chung and Oriental Development Co. to Develop North China Jointly

As a result of investigations by the presidents of the Oriental Development Company and the Hsin Chung Company, the following agreement has been reached between the two concerns:

That the Hsin Chung Company will carry out all the economic projects for the exploitation of North China; that the Oriental Development Company agrees to supply necessary capital for the Hsin Chung Company to carry out its work; and that the Oriental Development Company will continue to carry out the few projects, including the opening of mines in North China, which the said company has already started.

Numerous Japanese Investigation Groups Visit North China

More than 10 groups of Japanese and Koreans have visited North China in the past few weeks to investigate the educational, economic and political conditions in the area. Great attention is being paid by the Chinese authorities to the visits of these numerous Japanese investigators, the *China Evening News* of June 11 stated.

Japanese Intrigues in Keh-Chi-Lar Banner

The situation in Keh-Chi-Lar has been seriously aggravated as a result of the presence of large number of Japanese secret service

men, a Sian dispatch in the *Ta Kung Pao* June 14 stated. White Russians under the direction of the Japanese are stated to have have organized a number of associations for the carrying out of certain special activities in the area.

Another Japanese Interest to Build Cotton Mills in North China

The Foongtien Cotton Mill of Japan has decided to build a cotton mill in Tientsin with a capital of $3,000,000. In addition cotton mills of the company will be built in Shanghai and Tsingtao later.

Colonel McAndrew Takes Over Command of Fifteenth Infantry in North China

Colonel Joseph A. McAndrew, United States Army, last week took over the command of the 15th Infantry in Tientsin (the only American army unit in China,) relieving Major-General George A. Lynch, recently named Chief of Infantry, U.S.A., by President Franklin D. Roosevelt. The latter has already sailed for America to take over his new post at Washington.

The new colonel was born in Arkansas in October, 1879, and entered the United States Military Academy at West Point in 1900. He was graduated with the class of 1904. He entered the World War in 1917 as a company commander and arrived in France on June 12, 1917, with the 23th Infantry of the First Division. Upon his return to the United States after the war, he attended the Army School of the Line, graduating in 1922, and then entered the General Staff School in 1923, remaining there until the end of the year. He graduated from the U.S. Army War College in 1924. He subsequently served as instructor, director and assistant commandant of the General Staff School. He later served on the General Staff, 9th Corps Area Headquarters, San Francisco, and later with 28th and 23rd Infantry regiments. He was assistant commandant at Fort Leavenworth before leaving America for China. The colonel was accompanied to the Orient by his wife.

Dr. C. T. Wang Says China Favors Pacific Non-Aggression Pact

China is sympathetic to the proposal of the Australian Prime Minister, Joseph A. Lyons, for a Pacific Non-Aggression Pact, the Chinese Ambassador, Dr. C. T. Wang, told the press in Washington, June 10 after formally presenting his credentials to President Roosevelt.

China also favors the neutralization of the Philippines, he asserted. "For centuries the Chinese have intermingled, in business and marriage, with the Filipinos, China welcomes a nearby sister republic," he asserted.

The Ambassador declared that China had become greatly solidified in recent years, particularly in the development of communications. He expressed the opinion that this had contributed to the general stability of the Far East.

The good-neighbor and reciprocal trade policies of President Roosevelt and Cordell Hull, he said, had already brought a peaceful atmosphere into the world. Dr. Wang said that the world looked to the United States for leadership in readjusting economic problems with a view to averting war.

"China has an enormous population and almost unlimited resources. She offers great trading possibilities. Shall our task be to help promote international trade through co-operative efforts, thereby laying the foundations of peace?"

Senor Buencamino Says Philippines Will Get Independence in 1939

The Philippine Islands will definitely be granted complete independence on July 4, 1939, instead of in 1945. A statement to this effect was made at Manila, June 11 in the National Assembly by Senor Felipe Buencamino, who recently returned there from Washington and London, where he represented the Islands at the World Sugar Conference. President Manue, Quezon and President Roosevelt, according to Senor Duencaminol decided the fate of the Commonwealth in four secret meeting, in Washington recently. Independence, he added, would be accompanied by a 15-year commercial treaty between the islands and the United States.

Filipino Head-Hunter Captured Single-Handed by Sergeant

Kalinga Boli, the notorious head-hunter who, suspecting his wife of infidelity, killed her and twelve other persons, was taken single-hand by a Philippine sergeant who found him in a cave in the jungle, June 12. Boli resisted till his supply of arrows was exhausted and the sergeant then felled him with a rifle-butt.

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Development of Economic Interests Key to China Policy, Says Premier Konoye

The development of Japanese economic and business interests in China remains the "guiding principle" of Japan's policy towards that country, Prince Fumimaro Konoye, Premier, declared June 12 at Uuji-Yamada, where he worshipped at the Ise Grand Shrine, the Unebi Mausoleum and at Atsuta Shrine in keeping with tradition.

Konoye's Government Worse Than Hayashi's, Reactionary Group Declares in Statement

The Konoye Cabinet has "retreated a step" from the previous Government because of its connections with the political parties and is a "falsely-styled national unity" Administration, offering no hope for national renovation, the Dai-Nippon Seisanto, reactionary political group, declared in a statement it issued after a meeting of managers June 4. The statement declared that Prince Fumimaro Konoye was the source of national hope, not because of proven administrative ability, but because he would undertake the task of Premier without previous political entanglements. The reactionary organization is disappointed over the Premier's inclusion in his Cabinet of former Ministers of the Hirota and Hayashi Cabinets and also representatives of the Seiyukai and the Minseito. In opposing the Cabinet, the Dai-Nippon Seisanto will "act in accordance with its own aims, clarifying the spirit in which the organization was founded," the statement is quoted by *Domei* as saying. The patriotic group was formed in 1931 with Ryohei Uchida as its president. One of its advisers is Mitsuru Toyama.

Tokyo Expects No New Party Move Before Diet Meets

With Premier Konoye constantly reiterating his unwillingness to head a new political party, informed political observers in Tokyo this week expressed their conviction that no serious move to establish a new organization would be made before the special session of the Diet, opening on July 23.

Ordinance Issued Convening Japanese Diet on July 23

Two Imperial ordinances, one convening the 71st session of the Diet on July 23, the other setting the term of its duration at 14 days, were issued in Tokyo June 11.

Under Art. 45 of the Constitution, the Diet must be convened within five months of a dissolution. The defunct Hayashi Cabinet obtained a dissolution on March 31.

Japan War Games to Be Held in Autumn

The annual naval maneuvers will be held off Japan proper between early September and early November, the Admiralty announced June 11. Fleet-Admiral Prince Hiroyasu Fushimi, chief of the Naval General Staff, will personally supervise the war games, whose exact location will remain shrouded in mystery. Participating in the maneuvers will be: the First, Second and the temporary Fourth Fleets, and units from the Yokosuka, Kure and Sasebo Naval Bases and Maizuru, Chinkai and Ominato Naval Stations. The games will be concluded on November 1, with a grand naval review off Nagoya, with the participation of the naval air force.

Five Japan-Built Warships Handed Over to Siam

Two training vessels and three patrol boats, built at the Uraga Dockyards, near Yokohama, and the Ishikawajima Dockyards near Tokyo, to the order of the Siamese Government, were handed over to a Siamese receiving commission June 14. Manned by 280 Siamese officers and men, who had already arrived in Japan, the new men-of-war will leave Yokohama for Bangkok on June 25.

Murai to Seek New Trade Treaty With Siam

Bearing with him instructions to seek the conclusion of a new commercial treaty with Siam, Kuramatsu Murai, the newly appointment Minister to Bangkok, will leave Tokyo for his new post end of this month.

Japanese and East Indian Business Men to Begin Talks

Conversations between Japanese and Netherlands East Indian business men for a readjustment of their commercial relations opened at the Cotton Industry Hall in Osaka June 15.

Tokyo to Form Coal Concern for Saghalien

Creation of a semi-official concern, capitalized at Yen 50,000,000, for operating in the reserved coal fields in south Saghalien, is being planned by the Tokyo Ministry of Overseas Affairs. The deposits in the reserved area in the Japanese half of the island are estimated at 1,200,000,000 tons.

Tokyo Treasury Decides to Buy Old-Mined Gold

With the extra-legal gold reserves of the Bank of Japan badly depleted by successive shipments to the United States, the Tokyo Treasury June 11 decided to extend the gold-purchase ordinance to metal mined before this year. In its present form, the ordinance provides for the purchase of all newly mined gold by the Bank of Japan. With the projected introduction to the Diet of a bill providing for the compulsory sale of domestically produced gold to the Government, the Treasury officials said they felt the gold reserves would be out of danger.

Japan to Ship More Gold to U.S.A.

With the adverse balance of trade rapidly soaring to record heights, the Tokyo Treasury June 15 decided to ship additional Yen 50,000,000 worth of gold bullion to the United States. The first shipment, valued at Yen 17,000,000, left Kobe June 16 on the S.S. *Naruto Maru*. Two other shipments will follow at short intervals.

Japanese Industrialist Entertains Foreign Students, Among Them 89 Chinese

Kaichiro Nezu, a leading Japanese industrialist, today played host to 258 foreign students now in Tokyo at a garden party held at his spacious home in Akasaka. With 89 representatives, China led among the national groups attending the party. Among others were 31 Filipinos, 40 Indians and 29 Siamese, with a sprinkling of Britons, Americans and French.

Japanese Shipping Lines Advised to Increase Bottoms

Japanese shipping interests this week studied means to comply with the Government's advice that they increase the number of ships on their lines to India and other southern Pacific countries. The recommendation, made through the Ministry of Communications, is designed to provide for the smooth transportation of iron ore, pig iron and other raw materials produced in those countries.

Gaimusho to Start Vigorous Trade Drive

A determined drive for new markets, which would enable Japan to cut down the ever-growing adverse trade balance, will shortly be launched by the Foreign Office. Plans are now being drafted by the Gaimusho's trade experts for the establishment of new consulates in Africa, Central and South Americas and the Near East. Such invitations will be extended to Afghanistan, Iraq, Roumania, Hungary, Argentina and numerous other countries. Japanese trade missions will reciprocate each visit, in an effort to forge close commercial links with these countries. The successful results of the recent visit here of Brazilian and Chilean trade missions justified the expansion of the "trade mission system," Gaimusho officials indicated.

Japanese Bar Association Wants Teikoku Rayon Probe to Be Made Public

Members of the Imperial Bar Association June 4 petitioned the Justice Minister and others for less secrecy concerning the current examination of the Teikoku Rayon scandal. They oppose the "evasive reluctance" of Judge Seiei Morozumi, in charge of the preliminary examination, to supply information in court.

"Mistake" No Excuse for Photo Ban Violation, Japanese Court Rules

All violators of the law against the taking of photographs in fortified zones—ignorant, or otherwise—are liable to punishment, the Japanese Supreme Court ruled June 11. A plea that he had infringed the law because of an "innocent mistake," entered by Dr. Shuichi Nonaka in an appeal against the imposition of a Yen 15 fine for taking three pictures in a fortified area was rejected by Judge Shotaro Miyaka of the Supreme Court, who upheld the sentence.

Japanese Carrier Pigeons Fly from Hokkaido City to Tokyo in Less Than 32 Hours

Japan became still more carrier-pigeon-conscious this week as the fleet birds bettered records set by express trains in covering the distance between Asahikawa, the Hokkaido, and Tokyo. Nine pigeons were taken by air to the Hokkaido city and released at 5.25 o'clock on Saturday morning.

The first to arrive in Tokyo required 31 hours 47 minutes and 55 seconds to cover the distance of 1,050 kilometers.

Tokyo Denies Bristol Bay Fishing Charge

Tokyo Government officials June 14 emphatically denied the American charge that Japanese fishermen are engaged in salmon fishing on the high seas off Bristol Bay, Alaska. Twenty-six Japanese ships, including a floating cannery, are fishing crabs and cod fish off Bristol Bay, but not salmon, the officials asserted. It was further contended that these vessels are using only trawl nets, suitable for fishing crabs and cod fish, instead of drift nets, required for fishing salmon.

The officials declared that Japanese fishermen engaged in pelagic fishing are required to obtain a license from the Ministry of Agriculture and Forestry in Tokyo. No license to fish salmon has been issued to the vessels at present off Bristol Bay, they added. Japanese fishing interests, the officials said, do not contemplate fishing for salmon off Bristol Bay.

Four thousand tons of fish-meal are annually made from cod fish caught by Japanese fishermen in Bristol Bay, as contrasted with 150,000 tons produced by American fishermen on the Pacific Coast, the Tokyo officials stated.

Japan's Huge Navy Estimates

Japan's budget for the next fiscal year will lay emphasis on four points, *Domei* learned June 14 from authoritative sources. The four aims to be achieved are strengthening national defence, expansion of the nation's productive power, more vigorous exploitation of natural resources, and stabilization of commodity prices.

The basic scheme of budget formulation will be submitted to the Cabinet for approval this month and will then be submitted to the Planning Board for study and elaboration. The Board is expected to maintain close liaison with the Fighting Services, the Treasury, the Ministry of Commerce and Industry and private financial interests.

The Navy's estimates, expected to be the largest single item of the next year's budget, will provide for the continuation of the replenishment scheme.

Osaka Committee to Talk on Division of Philippines Market

With the impending expiration of the American-Japanese "gentlemen's agreement" on the division of the Philippine cotton textile market, exporters in Osaka June 15 formed a special committee to negotiate with American traders on the extension of the accord. The present accord, which will expire at the end of July, provides for the division of the market on the basis of respective textile exports for 1934. The committee includes three representatives of the Japan Cotton Spinners' Association; two of the Federation of Cotton Industrialists; three of the Guild of Cotton Yarn and Cloth Exporters; and three of the Nippon Guild of Cotton Yarn and Cloth Exporters to the Orient.

Cult Closed as Woman Displeased With Talisman

Another religious cult in Japan came to grief last week,—all because its "talisman" failed to drive the spirits of 550 whales from the home of a 30-year old spinster in search of a husband. Arrested by the police were: Aisei Akatsu, founder of the cult; his wife; and Masayuki Takayama, a "disciple." The cult, the police said, was a profitable business, which netted its originators Yen 4,500 in the three years of its existence. At the time of their arrest, the three "holy" men had 60 followers, each of whom paid 20 sen a month in return for eternal salvation.

Japanese Officials Who Squandered Public Funds on Geishas

For embezzlement of amounts reported variously between Yen 1,000,000 and Yen 1,220,000, obtained in the name of the Saitama Prefectural Government from the Konoike Trust Company and the Mitsui Trust Company with forged documents, Seiji Fukuda, a former chief of the accounts section of the Saitama Prefectural Government, and Shichizo Aritaki, former mayor of Koshigaya-machi, were committed to public trial June 10.

Practically all of the money had been squandered by the two men, most of it on stock speculation and the balance on dissipation.

The embezzling of the two men began in January, 1930, when Fukuda forged the Governor's signature and affixed his seal, which had been entrusted to him, to the documents required for borrowing Yen 120,000 from the Mitsui Trust Company for the alleged purpose of transferring to the jurisdiction of the prefecture a girls' higher business school in the town of Koshigaya. Aritaki presented the forged documents as genuine in his capacity as mayor.

According to the *Miyako*, the two men lost about Yen 800,000 in speculation on the stock market. Fukuda alone spent Yen 100,000 on pleasure in Urawa, Kumagai and Koshigaya.

A geisha in Urawa had her debt paid by him and was set up in a house of her own. Then Fukuda turned his attention to a 30-year-old mistress to a geisha house. The third on his list was a 27-year-old geisha, an immate of the same house, who bore him a son, now three years old. About the same time, he won the affection of a cafe waitress in Urawa, Namiko by name, to whom he gave Yen 100 bills as tips. Still another geisha, Kikutatsu, took his interest in this city before he extended his advantures to Omiya, where he was intimate with two sisters, and to Kawagoe, where he won the favors of two veteran geisha, Fumi, 34, and Toyoko, 35.

Fukuda also came to Tokyo, and here he was attracted by a 27-year-old waitress in a Ginza restaurant whom he enticed to Urawa, where he established her in an apartment. Since last fall, he had been deeply engrossed in Someka, 26 years old, a geisha of Gofukubashi, Nihonbashi Ward.

On November 11 of last year, Fukuda resigned as chief accountant of the Saitama Prefectural Government because of rumors that he had been spending public money on geisha. Then he disappeared, lending weight to the suspicions. Tokuei Kato, acting manager of the Tokyo branch of the Konoike Trust Company, went to Urawa and made inquiries, with the result that the police began to look for Fukuda.

The trust company has filed a suit in the Tokyo District Civil Court against the Saitama Prefectural Government for restitution of the Yen 1,000,000 lost by it. The prefectural authorities have decided to fight the case, maintaining that the loans cannot be considered regular prefectural loans contracted by the prefectural government because the documents were forged and therefore invalid, making the bank responsible for accepting them.

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Imperial Conference Ends; Ottawa Conference Still Holds Attention

The final plenary session of the British Imperial Conference took place in London June 15.

A summary of the proceedings and the results of the deliberations on foreign affairs stated that while no attempt was made to formulate commitments, which could not be made effective until confirmed by the respective Parliaments, representatives of all governments closely agreed on a number of general propositions. It was thus agreed that a settlement of international differences and an adjustment of national needs should be sought by methods of cooperation, joint enquiry and conciliation instead of a recourse to force. They accordingly declared unanimously that their respective armaments would never be used for purposes of aggression or for any purpose inconsistent with the League Covenant or the Kellogg Pact.

Recognizing the desirability of strengthening the influence of the League by an enlargement of its membership, they unanimously considered that this object would be facilitated by the separation of the Covenant from the peace treaties.

The delegates, the summary declared, welcomed agreements between members of the Commonwealth and other interested states in respect to certain regions in which the states have special interests in so far as they contributed to peace and did not conflict with the Covenant. They noted with interest the Australian proposal for a non-aggression pact by countries of the Pacific, and agreed that such an arrangement would be a desirable contribution to peace and should be the subject of further consideration between the Governments.

The fullest possible disarmament was desired, but defence measures were essential for their own security and the fulfilment of any international obligations they had assumed. Members of the Commonwealth had declared they would continue to consult and co-operate in the vital interest of peace. Delegates had also declared their readiness to co-operate with other nations in examining current economic difficulties, including trade barriers and other obstacles.

Finally, members of the Conference, while they themselves were firmly attached to the principle of democratic and Parliamentary forms of government, held that difference in political creed should be no obstacle to friendly relations between governments and countries, and that nothing would be more damaging to the hopes of international appeasement than real or apparent division into opposing groups.

The Conference was informed that the defence forces in India were designed primarily to meet a possible attack on the North-West Frontier and to cope with tribesmen there, besides maintaining internal law and order. The army in India was fully equipped for this task and constituted a force well prepared to take the field if necessary.

The Conference noted the great importance attached to the Singapore Base by the Australia and New Zealand Governments, and recognized the vital importance of measures to safeguard maritime communications and to provide naval bases and facilities for repairs and fuelling of ships. It was therefore glad to be informed that substantial progress had been made to complete the Singapore Base and its defences with the aid of generous financial assistance from various parts of the Empire.

Although the work of the Imperial Conference has been concluded, the delegates will have no respite from work during the remainder of their stay in England, as the United Kingdom Government will continue bilateral talks with the Dominions for revision of the Ottawa Agreements, it was stated. These talks are a necessary preliminary to the proposed trade agreement between Great Britain and the United States and are designed to ascertain to what respect, if any, the Dominions will assist in the conclusion of such a pact by consenting to modification of the Ottawa arrangements. The talks are not expected to be concluded for a long time and many eventually be suspended until the Anglo-American negotiations have reached a stage where definite proposals can be made.

Shipping War Looms on Route Between U. S. and Australia-New Zealand

The report, published of the Shipping Committee of the Imperial Conference issued in London June 16, disclosed that competition in the Pacific between the United States, on the one hand, and Australian and New Zealand ships, on the other, see is under consideration by the United Kingdom, Canadian, Australian and New Zealand Governments with a view to maintaining British shipping on the route. The question, was referred to a sub-committee representing the four governments, which reported that its discussions had not yet been finished.

General questions arising in connection with shipping policy were considered by the committee, which the report declared, reviewed the position regarding British shipping (whereby it is meant all shipping registered as British, wherever registration is effected) in relation to the needs of the several parts of the Empire. The committee realized that the maintenance of adequate British shipping "is a matter of common concern to the countries of the Commonwealth." The committee noted that certain forms and methods of foreign discrimination seriously prejudiced British shipping, if not threatening it with entire elimination. The committee therefore recommended that when a Commonwealth government considered its shipping seriously prejudiced by foreign governments it should consult the other Commonwealth governments concerned in order to determine the validity of the complaint and the best means of meeting the situation.

U.S. Ocean Mail Contracts Expire June 30, But May Be Extended

In this connection it may be noted that the U.S. ocean mail contracts expire June 30, although the general opinion is that it will be impossible for the new Maritime Commission to put its plans into operation on that date, and many feel that an extension of the present contracts for another six months is inevitable.

Reports from Washington indicate that negotiations have recently been started under the temporary Maritime Commission for new contracts to take the place of the former ocean mail contract system.

Word from San Francisco says that the Maritime Commission recently made public a tabulation of conferences completed and those scheduled looking toward adjustment of the existing 41 ocean mail contracts held by 30 steamship companies.

When the permanent commission takes office the transition from the mail aid system to the direct subsidy plan for extending Federal aid to the merchant marine will be effected at an average curtailment of 50 per cent below present ocean mail contract grants. The Ship Subsidy Act prohibits payment under ocean mail contracts on voyages started after June 30.

British Imperial Conference Deals With Question of Nationality

The report of the Constitutional Committee of the Imperial Conference, issued in London June 11, deals principally with the question of British nationality. It points out that no way has been suggested for any change to be made in the existing position regarding the common status of a British subject. This term, it is stated, does not mean a "subject of Great Britain," but is one of long-standing denoting generally all His Majesty's subjects. It is suggested that, in the absence of rules for determining the part of the Commonwealth with which any particular person has a connection, difficulties will arise on such matters as immigration and deportation.

With a view to avoiding inconveniences which might arise if a particular person belonged at the same time to two or more members of the British Commonwealth, the Committee suggests that each member of the Commonwealth would normally include, as members of its community, British subjects from other parts of the Commonwealth who have identified themselves with the community to which they have come. Each Commonwealth member would prescribe the conditions under which such British subjects should be considered to have so identified themselves. It is recommended that any Commonwealth member passing laws on the membership of its community should submit the proposals to other members for comment. The object of the consultation would be to secure agreement.

Italy Declines to Permit British Missionaries to Return to Abyssinia

The prolonged negotiations between the British and Italian Governments with a view to securing permission for missionaries to return to Abyssinia to resume their work have proved unsuccessful, Anthony Eden, Secretary of State for Foreign Affairs, said in the House of Commons June 14.

As the Italians had taken action forbidding British missionaries the Foreign Secretary added that the British Government must reserve the right to consider taking similar action insofar as Italian missionaries were concerned in territories under British administration.

Spanish Rebels Penetrate Nearer Bilbao

Developments signifying the increasing ascendency of the rebels in the Spanish civil war, which entered its twelfth month this week, occurred June 14. The rebels penetrated nearer Bilbao, a new offensive against Santander was launched by General Francisco Franco, their commander in chief, and the immediate evacuation of the whole civil population of Madrid was ordered by General Miaja, commander of the loyalist forces in Central Spain.

Soviets Give Rules for Foiling Spies

BY HAROLD DENNY

(*In the New York Times*)

The Soviet authorities, who appear to be deeply concerned over the dangers of foreign espionage, have begun the systematic education of the people on how to detect foreign spies and how to avoid being drawn by trickery into their service.

The press recently has been full of warnings against espionage, but now the newspaper *Pravda* has gone further with a long and detailed account, evidently based on secret files of the Soviet's own counter-espionage service, on methods used to draw even innocent and patriotic Soviet citizens into treachery. The par pecalled on them to report any suspicious overtures.

Blackmail and bribery are the chief weapons of foreign intelligence services in recruiting unwilling agents, according to *Pravda*. The newspaper also alleges that the German secret police have a card index with names of Soviet citizens who may be tricked into service, filed by towns, occupations and individual traits. Such individual traits include political instability, addiction to drink, fondness for gay life, dishonesty and moral adversions that might be used to compromise them.

Every Soviet citizen who travels to certain countries is a target of foreign intelligence services, *Pravda* says, citing numerous instances. The commonest method is to use a woman to lure an unsuspecting Soviet citizen into an embarrassing situation, from which he can escape only by giving some relatively innocent piece of information, the paper asserted.

Once the foreign services get that far, *Pravda* added, a man is in their hands and they can exploit him to the limit by threatening to betray him to his superiors. Actual instances are given, with names omitted. One of the most interesting cases is that of a Soviet citizen in Japan on government business.

He became acquainted with a handsome woman of the aristocracy, with whom he visited cafes. One night a Japanese in military uniform entered, declared he was the woman's husband and demanded satisfaction for his damaged honor.

An ugly scene was developing when another Japanese interposed and persuaded the "husband" to drop the quarrel. In return for this service the Soviet citizen gave a written promise to give innocent information concerning the Soviet. From that beginning he fell completely into Japanese clutches, according to *Pravda*.

Another Soviet citizen, on a mission in a Fascist country, left a brief case containing only unimportant papers on a restaurant table while he used a telephone. As he started to leave a young man told him he had espionage papers in the brief case. The Russian went through the brief case to prove his innocence and found a compromising document had been inserted. To avoid arrest he gave a written promise to supply "innocent information" and became enslaved.

Somewhat similar technique is used by foreign spies who enter the Soviet Union, says *Pravda*. They enter the life of the country as soon as possible, the paper added, and compromise Soviet citizens to force them to help with espionage work.

Industry Ministry Investigates Speculation on Shanghai Cotton Goods Exchange

By order of the Ministry of Industry, Cheng Tien-ku, Political Vice-Minister of Industry, on June 11 was ordered to inquire into a panic at the Chinese Cotton Goods Exchange in Shanghai last week caused by an orgy of speculation. In its order to Vice-Minister Cheng, the Ministry stated: "In the course of the past few years, speculation has been rife on the Chinese Cotton Goods Exchange at Shanghai, causing repeated panics. This state of affairs is to be deeply deprecated.

"Recently, due to manipulation by certain persons, transactions on the Exchange have had to be suspended. While the matter was being considered, a telegram was received from the Brokers' Guild of the Chinese Cotton Goods Exchange, requesting that an official be dispatched to Shanghai to investigate the case.

"This Exchange, in its transactions, has caused repeated trouble; the present situation is especially grave. It is apparent that some persons are attempting to disturb market prices, in violation of Article 52 of the Exchange Law; and to disturb the market for agricultural and industrial products by deceptive means, in violation of Art. 251, Sec. 1 (2) of the Criminal Code.

The well-known Tu Yueh-sen, President of the Chung-wai Bank in the French Concession, Shanghai, is the Government delegate on the Board of Supervisors.

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The National City Bank of New York, Rates of Exchange

Shanghai, June 16, 1937

Demand selling rate on America :	U.S. $1.00=Sh. $ 3.37
Demand buying rate on America :	U.S. $1.00=Sh. $ 3.35
Demand selling rate on London :	£1.0.0=Sh. $16.59
Demand buying rate on London :	£1.0.0=Sh. $16.55

Chinese Decide to Rebuild Woosung Battery!

A special dispatch to the *Tokyo Nichi-Nichi* June 9 stated that the National Government (as an accompaniment to the progress of national unification) has been concentrating its energies on the building up of national strength through economic constructions and in parallel with it has been frantically expanding armaments. According to information in Chekiang-Shanghai garrison headquarters, the Central Military Council has decided to rebuild the Woosung battery destroyed in an air raid by the Japanese during the Shanghai Incident, from the standpoint of strengthening the first line of national defense in the Yangtze valley sector.

The guns to be fixed throughout the sector, imported from Germany and of the finest make, already arrived early in May at Shanghai, it was stated.

The rebuilding of the Woosung battery, according to the *Nichi-Nichi* correspondent, is a demonstration of the positive attitude on the part of the Chinese to guard unto death the important strategic points between Nanking, the political center of the country, Shanghai, the financial center, and the Yangtze valley in a possible war with a foreign country. The garrison headquarters are expected shortly to begin a survey of the topographical conditions of the area for a proper distribution of the guns, (which is prohibited by the Shanghai Truce Agreement.) The Chinese, therefore, will apparently open negotiations with the Japanese about this matter.

The *Nichi-Nichi* message continued: "This information has acutely irritated the Japanese authorities on the spot and they have decided not to agree to the Chinese violation of the agreement. If they persist in spite of Japan's protests, there is fear that it would become a serious issue. For another thing, production of munitions has shown a spectacular increase of late and there is also talk of establishing anew or expanding arsenals in Shanghai, Canton, Haian, Chengtu, Chungking, Chenkonming in Yunnan province, Nanning, Tsinan and Taiyuan. They have also decided to revive the Hanyuang arsenal which boasts of being the greatest arsenal in all China and which has been closed for the last 11 years since the 15th year of the Republic. At the same time decision has been made to institute large-scale air defense facilities and establish depositories for munitions at strategic points in Kiangsi, Szechuen, Anwei, Shansi and Hankow.

"In this way the Chinese efforts to build up the national defense strength have more and more assumed the character of an emergency period. In regard to foreign imports in equipping itself for these war preparations, the volume of imports from the United States tops the list, followed by British, Italian and German goods.

"During the four months between February and May this year, the amount of imports already exceeded the total volume for last year and the up-to-date arms for air defense alone amounted to more than 20,000,000 yuan. These have been distributed along the Yangtze valley and points about the Tientsin-Pukow, Peiping-Hankow and Peiping-Suiyuan lines.

"On the other hand, the total number of people who have received military training has reached the 5,000,000 mark and the quality of the Army has been highly improved. Under an enormous-scale five year plan, they are rushing the work of modernizing the Army. The military training of the masses is being conducted on the basis of a national mobilization plan and is aiming at the building of a gigantic army of 30,000,000. With the heightening of the national defense fever, with Japan as the objective, the aggressive attitude of the Nanking Government is expected to become more and more positive in nature. The situation in China, thus, is growing more and more serious for Japan."

231 Italians Died in Fighting in Spanish War

The Italian death toll in the loyalist rout of rebel troops at Guadalajara last March 8-18 was published in Rome June 14. The report showed that, including officers 231 Italians had been killed and 1,994 others wounded when the loyalists sent the Italian reinforced rebel troops into a headlong retreat. The number of missing was placed at 250, bringing the total to 2,475.

Haile Selassie Begins Lawsuit Against Italy Regarding Jibuti Railway Shares

The ex-Negus of Abyssinia, Haile Selassie, has begun a lawsuit in Paris courts against the Italian Government with regard to the ownership of the rights regarding shares in the French Abyssinian railway (Jibuti-Addis Ababa company) which are worth about 30,000,000 Francs and still in possession of the Ex-Negus. The Italian contention is that the shares are registered in the name of the Abyssinian Government and not of the ex-Negus personally. The shares accordingly belong to the present government of Abyssinia namely the Italian authorities because they alone exercise the powers of administration.

Participants in Yunnan Motor Bus Expedition Entertained at Tea in Nanking

A tea reception to welcome the return of the Nanking-Yunnan Motor-Bus Expedition was jointly given June 10 at the International Club in Nanking by Dr. Wang Chung-hui, Acting President of the Executive Yuan, Dr. Wei Tao-ming, Acting Secretary-General of the Yuan, and Dr. Ho Lien, Director of the Political Affairs Department of the Yuan. More than 70 members of the expedition, headed by Dr. Chu Min-i, Vice-Chairman of the Central Party Cultural Affairs Planning Committee, were present.

In the course of an address, Dr. Wang Chung-hui highly commended the expedition for successfully completing the 11,000-li trek through nine provinces (Kiangsu, Anhwei, Kiangsi, Hunan, Kweichow, Yunnan, Kwangsi, Szechuan and Hupeh) within 52 days according to schedule.

Recalling the industrial plans of the late Party Leader, Dr. Sun Yat-sen, Dr. Wang said that before these plans can be successfully carried out, the system of communications must first be developed. In the past ten years, under the direction of General Chiang Kai-shek, active efforts have been made in this direction.

The motor-bus expedition was organized under the auspices of the Executive Yuan with a view to drawing the attention of the Provincial authorities and people to the importance of highway communications and improving the methods of highway administration, Dr. Wang recalled. He was glad to note the successful efforts of the expedition in enlightening the people in the different provinces on the policies of the Central Government. This was shown by the warm welcome accorded to the expedition by the authorities and the people of the regions traversed by the Nanking-Yunnan Highway.

Thirty-Five Are Graduated from Shanghai American School

The Shanghai American School held its commencement exercises this week.

The senior class presented Barrie's play, "The Admirable Crichton," on the evening of June 16. On June 17 Cornell S. Franklin, Chairman of the School's board and Chairman of the Shanghai Municipal Council, presented diplomas to 35 seniors, who were graduated.

The commencement exercises opened with a processional, this being followed by the invocation said by the Rev. S. C. Farrior. Miss Edith Roberts delivered the valedictory. Dr. Gordon Poteat of the University of Shanghai delivered the commencement address. The exercises a closed with the benediction by the Rev. William T. Roberts.

Chinese Universities Will Hold Commencement Exercises Next Week

The commencement exercises of Mon Fuh-tan University, Kiangwan, will take place June 21, when 170 students will receive degrees. Three institutions, St. John's University, University of Shanghai and Chiao-tung University, will hold their exercises on June 26.

Dr. Hu Shih and 15 Other Chinese Educationists to Attend Tokyo Conference

Sixteen leading Chinese educationists, led by Dr. Hu Shih, internationally renowned humanist, will attend the Seventh World Education Conference, scheduled to be held in Tokyo on August 8. Starting from Shanghai, the group will spend some time inspecting educational institutions in Japan's rural and urban areas.

Monument to Be Erected to Commemorate Motor Caravan

In commemoration of the successful conclusion of the Nanking-Yunnan motor trip sponsored by the Executive Yuan a stone monument with an inscription fittingly describing the epic event will be erected in Kunming, capital of Yunnan, which was the terminus of the journey. The names of all the 108 participants of the trip who acted as goodwill emissaries for the Central Government to the southwestern provinces will also be inscribed on the tablet.

Explosion Occurs on Motor Launch Carrying Pilgrims in West River

Barely a month after the boiler explosion on a Japanese launch in Hongkong, news was received in Canton June 15 of a similar tragedy which occurred in the West River. The motor launch, *Kwangsang*, was towing four boats fully loaded with pilgrims to Yuentsing, on the upper reaches of the West River, when an explosion occurred shortly after mid-day near Hoching. Panic spread among the pilgrims and considerable confusion followed.

Who's Who in China

李麟玉
Li Lin-yu

Li Lin-yu, university president; born at Tientsin, Hopei, 1889; graduate of the Nan-Kai School, Tientsin, 1908; graduate of the junior class of the Faculty of Science of the National University of Peking, 1910; Chemical-Engineer of the "Institut chimique de Nancy," France, 1915; M.A. of the University of Paris, 1918; Diploma of the higher studies of the physical sciences, University of Paris, 1920; Professor of Chemistry of the National University of Peking, 1921-1931; Honorary Professor of the National University of Peking since 1931; Professor of the Sino-French University, Peiping, since 1924; Dean of the Faculty of Science of the Sino-French University, Peiping, since 1925; Rector of the Sino-French University, since 1928; Research Professor of the Institute of Chemistry of the National Academy of Peiping since 1929; Director of the Institute of Chemistry of the National Academy of Peiping, 1929-1930; Acting Vice-President of the National Academy of Peiping, 1930-1931; Research works: Dosage de l'acide sulfurique au moyen de chlorohydrate de benzedine; Preparation electrolytique du Persulfate de magnesium, etc; address: 7 Houe-Chen-Miao, Ti-Nan-Men-Li, Peiping.

李麟玉字聖章，天津人，現年四十八歲，一九〇八年南開中學畢業，一九一〇年前京師大學堂（現北京大學）預科畢業，一九一五年法國昂西化學院畢業授化學技師學位，一九一八年巴黎大學理科畢業授硏士學位，一九二〇年得巴黎大學高等理化證書，一九二一至一九三一年任北京大學教授，一九三一年起任北京大學名譽教授，一九二四年起任中法大學教授，一九二五年起任中法大學理學院院長，一九二八年起任中法大學校長，一九二九年起任北平硏究院化學硏究所硏究員，一九二九至一九三〇年任北平硏究院化學硏究所所長，一九三〇至一九三一年任北平硏究院代理副院長，硏究工作：以綠酸化Benzedine作硫酸之定量分析；過硫酸鎂之電解製造法等；住址：北平地安門內火神廟七號

Japanese Fishing Schooner Leaves Lienyunkiang After Protest

Kuo Min relates that a Japanese fishing schooner arrived at the port of Lienyunkiang, near Haichow, early this week and immediately proceeded to fish in Chinese territorial waters. A number of the local Chinese fishermen then called on the Japanese and requested them to desist from poaching in China's territorial rights. The Japanese refused and attacked the Chinese instead. Captain Shih Yun-chang, of the Kiangsu Provincial River Police, on learning of the trouble, immediately rushed to the scene and warned the Chinese fishermen against any act of reprisal. He then took the matter up with the Japanese and requested them to leave. The Japanese steamer left Lienyunkiang June 12.

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In the United States Court for China

In re. ESTATE of ERNST B. FILSINGER Deceased.	Cause No. 4214 Special Proceedings No. 2093 NOTICE Filed at Shanghai, China, June 3, 1937. William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Ernst B. Filsinger, deceased, to present the same with vouchers to the undersigned on or before December 12th, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

N. E. LURTON
330 Szechuen Road
Shanghai, China

Shanghai, China.

Men and Events

J. Gock Lock, managing director of the Wing On Co., has returned to Shanghai from a business trip to Hongkong.

The death occurred in England June 10 of Sir Cecil Hanbury, Conservative M. P. for North Dorset, who was at one time a resident in Shanghai. He was 66 years old.

R. D. Lapham, President of the American-Hawaiian steamship Company and the Oceanic and Oriental Navigation Company, arrived in Shanghai June 14 for a two weeks' stay.

A warning that summer is once more appearing and that precautions should be taken against cholera was contained in the first bulletin issued June 12 by Dr. Wu Lien-teh, chairman of the Central Cholera Bureau.

C. H. Lowe, chief of the Publicity Department of the China International Famine Relief Commission, departed for Hawaii on the s.s. *Empress of Japan* June 14. Mr. Lowe expects to return to Shanghai about August 10.

Overseas Chinese in Canada have elected Huang Yun-wei, a prominent resident of Montreal as delegate to the forthcoming National People's Congress, according to a telegram received recently by the local overseas Chinese organizations from the Chinese community in Canada.

Announcement was made this week that E. Kann, exchange broker, had become an advisor for the S. E. Levy & Co., particularly in connection with Chinese external bonds. Mr. Kann will edit for the Levy concern a monthly bulletin covering all phases of Chinese economics.

Dr. Henry H. Welles, Principal of the Shanghai American School, will depart from Shanghai June 25 on the s.s. *Scharnhorst* by way of Europe for a year's home leave in America. During his absence, Ernest M. Hayes, Business Manager and Acting Vice-Principal, will serve as Acting Principal

W. Gottlieb, German engineer, and R. Dulsky, Polish camera-man, charged with defrauding several Chinese pawnshops of sums of money by pledging cheap Japanese cameras as expensive Leica cameras, were both found not guilty by the First Special District Court in Shanghai June 12.

Mrs. William Henry Crocker, of San Francisco, wife of the President of the Crocker First National Bank and director of the Metropolitan Life Insurance Company, Mrs. Colvin Beardsley Brown, wife of the counsellor of the United States Chamber of Commerce, and Mrs. C. C. Martenstein are at present visiting in Japan.

The National Boy Scouts Association of China has selected 16 boy scouts to attend the 5th World Boy Scouts Jamboree in Amsterdam next month. The delegation will be headed by Yen Tsung-ling, member of the Standing Committee of the Board of Directors of the Association, with Hsu Kuan-yu, Chief of the Training Section, as deputy head.

In order to effect closer co-ordination among the different governmental authorities and voluntary organizations in the prevention of traffic in women and children, an international association for the relief and protection of women and children is to be established in Shanghai. The name of the organization is the China International Association for the Relief and Protection of Women and Children.

Dr. Paul Monroe, American educator, delivered lectures at the Chung Hua University and the National Wu-Han University at Wuchang June 11. He was later a guest at a luncheon by the faculty of the National Wu-Han University and at a tea reception by the Hupeh Provincial Educational Association. Accompanied by his wife and daughter, Dr. Monroe has in the meantime proceeded to Peiping.

A request of Neil Oldfield and Dick Acton the "Hell Drivers" now performing at the Second Better Homes Exhibition in Shanghai, to give exhibitions at the forthcoming National Athletic Meet has been refused by the preparatory committee of the Meet, which decided that the request of the "Hell Drivers" could not be accepted on account of the athletic ground being unsuited for such exhibitions.

The death occurred in Shanghai June 13 at the age of 74 of Wong Chi-nam, a Cantonese printer who had been in the employ of the *North China Daily News* for 38 years. His loyalty to his employers was demonstrated in characteristic fashion during the general strike in 1925 following the May 30 incident when he and several of his assistants remained on duty despite death threats from radical elements.

The summer session of the University of Shanghai will be held from July 6 to August 5. The courses to be offered are: Religion, education, sociology, political science, business administration, physics, chemistry, music, English, and Chinese. The summer school of the University Middle School will also open on July 6, while that of the Down-town School of Commerce will open on July 1.

Alexander Y. Segel, 40-year-old Russian proprietor of the Cinema Arts Corporation, Shanghai, was fined in the Shanghai District Court June 11 $300 with the alternative of serving 150 days imprisonment, upon being found guilty of selling an indecent film, "Butler and the Maid," 600 feet in length, which was seized by police last week. The indecent film was ordered to be confiscated, while a large number of other films seized by the policy were ordered to be returned to Segel.

According to a native of Szechuen who arrived in Nanking recently, Gen. Yang Sung, commander of the 20th Army, has 27 wives and over 40 children. It is reported that Gen. Yang is paying special attention to the education of his children. By the age of 7 or 8 military training is provided for the children. By the age of 15 the children have to join the army and receive regular military training, the *Sin Wen Pao* of June 14.

The *Ta Kung Pao* June 12 reported that negotiations with the diplomatic representatives of the foreign Powers regarding the payment of income taxes by the foreign residents in China have been successfully concluded. If time permits to complete the necessary preparations for the collection of income taxes from the foreign residents before the end of this month, all foreigners will have to pay the tax beginning from July 1, it was stated.

The Nanking City Government in an order June 14 reminded land owners with properties fronting North Chung Shan Road between North Gate and the Drum Tower that the order of General Chiang confiscating such property as remains vacant by the end of this month still stands good. The confiscated property, the order went on, will be used for school playgrounds and similar public prospects. The regulations as laid down are aimed to discourage land speculation and beautify the city by removing unsightly empty lots.

The *Tunga Lipo*, Korean language paper of Seoul, resumed publication June 2 after having been suppressed since August 28. Action was taken against it when it reproduced a picture of a Korean runner at the Olympic Games, from whose jersey the Rising Sun had been erased. The order was rescinded after negotiations with the Government-General and an expression of regret by the publishers. Kanmatsu Haku, a Korean businessman with experience in journalism, has been named president of the publishing company.

The Summer Solstice (days and nights equal) falls this year on June 22. It is a characteristic of the climate in this part of the world, particularly so this year, that the really hot weather only commences after the days become shorter. The temperature in the Shanghai area so far this year, barring two days last week, has been comparatively low, mostly due to the incidence of rains. The *highest* temperature recorded in Shanghai June 12 was 68.5 Fahr. Meanwhile North China is in the grip of a heat wave; the temperature rose to 102 degrees Fahrenheit at Peiping June 14.

Constituting one of the five display halls projected by the City Government of Greater Shanghai in the Civic Center, construction on an aquarium will be started sometime in September and is expected to be completed next April. It will be erected on a site of 14,000 square meters beside the present Aviation Association building, and will house various river and sea products, including tropical fish. The initial construction fund has been set at $20,000.

Floyd Gibbons, Hearst news commentator who visited Shanghai during the Sino-Japanese hostilities in 1932, has been sued for $250,000 by a news and radio script writer who accuses him of having distorted and dramatized a script on the Ohio flood situation in January which was broadcast from Cincinnati. Among other things, the complainant charges that Mr. Gibbons claimed that he was actually talking to a diver located approximately five miles away under 20 feet of water, whereas in fact the alleged diver was an actor standing beside him in the studio talking "through a lard can."

Apparently taking their cue from the furore caused by the showing of the "New Earth" film last week, the Japanese Consulate-General has instructed the Towa Theatre, Chapoo Road, Shanghai, not to screen a film entitled "Our 8,000-kilometre National Defence Line." As reported by the local Japanese press, the reason for the order was a belief that the showing of the picture would induce misunderstanding in the minds of foreigners and Chinese alike. The film, the dailies said, aimed to acquaint Japanese spectators with the problems caused by the expansion of Japanese influence since the Russo-Japanese War and the Manchurian incident.

About a score of people were drowned last Sunday when hundreds of people at Chinkiang were watching a rowing contest in celebration of the Dragon Boat Festival. A floating wooden pontoon at the Tsung Tung Wharf, near the Customs office in Chinkiang, on which the celebrants stood, suddenly gave way under the weight and caused the tragedy. The accident occurred at about 3 p.m. when a surging crowd of festival celebrants went to the river bank to witness a "Dragon Boat" rowing contest which had been banned for many years. A few minutes before the contest was scheduled to start the portion suddenly gave way, followed by great confusion.

China's copyright law was again discussed in the House of Commons June 11. In reply to a question by a Conservative member, Viscount Cranborne, Under-Secretary of State for Foreign Affairs, said he had instructed the British Ambassador, Sir Hughe Knatchbull-Hugessen, to report on the situation arising from the photographic reproductions of pirated copies of books published in Britain and their sale in China at much lower prices than legitimate importers had to charge. On hearing from the Ambassador, Viscount Cranborne added, he would consider what further steps were possible to remedy the grievance of British copyright holders.

E. P. Williams, Jr., for many years the representative of the Baldwin Locomotive Works of Philadelphia in China (working with Andersen, Meyer & Co.) was recently killed in an automobile accident in the United States.

Norman Westwood, former manager of the University Pictures offices in China, who departed from Shanghai last January with the ostensible purpose of retiring to the U.S. or Canada, is expected to return to Shanghai next month. He will represent a group of independent Hollywood producers, including Republic Pictures. Mr. Westwood is one of the pioneer film distributors in China.

Preference shareholders in the New Engineering and Shipbuilding Works Ltd., on June 21 will receive a payment on account of accumulated dividends at the rate of 8% per annum for the period of six months, January 1 to June 30, 1934. Several of the shareholders have addressed a letter to the directors enquiring whether the funds which will be used to pay this dividend are to be drawn from a fortuitous windfull in the sale of a certain steamer or whether the payment indicates a definite upturn in the business of the Company, (which is now amalgamated with the Shanghai Dock Co.).

The Rev. Anderson Jardine, who performed the religious ceremony at the marriage of the Duke of Windsor to Mrs. Wallis Warfield Simpson, has announced his resignation from his living at St. Paul's, Darlington, Durham. His resignation, he declared, had nothing to do with the recent event. The Vicar, it will be recalled, volunteered to conduct the service without any invitation and in disregard of all eccelsiastical authorities. A lecture and preaching tour of the United States, which would last for two months, was given as the reason for the resignation.

A memorial plaque honoring Mrs. Elizabeth Scott (Betty) Stam, who was killed with her husband, John Stam, by Chinese Communists in 1934, was presented at an impressive service in connection with the commencement exercises at N.C.A.S. in Tungchow June 6. Mrs. Stam was a former student of the school. Seated on the platform were Dr. Scott, father of Mrs. Stam, Mrs. Martin, Miss Sarah Wylie, President of the Alumni Association, and Horace Dewey, member of this year's graduating class. Dr. Dewey explained how a former principal of the school, Mr. Lund, had offered to pay for the placing of a memorial plaque and how the alumni had responded by contributing the memorial.

The Isis Theatre on North Szechuen road, beyond the Settlement limits, (which several months ago was partially destroyed by a mob of Italian sailors,) had planned to present the Soviet film, "We are from Kronstadt," as the feature for its reopening night on June 11. Despite the fact that the film had been duly passed by the Nanking censors, about half an hour before the scheduled opening hour a messenger arrived at the theatre from the City Government of Greater Shanghai ordering the showing of the film to be abandoned. The film, it is stated, has scenes which are objected to by the Fascist countries, Italy, Germany and Japan. A strong detachment of police from the City Government was on the scene. The film actually shown was "Spain in Flames," the showing of which is banned in the Foreign Settlement. Later, however, the City Government withdrew its ban and the picture was shown several days this week.

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New Books of Interest in the Far East

Before and After the World War

The Laurels Are Cut Down. Archie Binns. Reynal and Hitchcock, New York.

Starting slowly, this is a book that grows on one and becomes more interesting as one continues. It is divided into four Books and twenty-one Chapters, without headings. Its greatest weakness perhaps is that it is not divided into sentences,—at least only in part. A few phrases set down as sentences now and then probably bother no modern reader. However one would still like enough subjects and predicates to be able to follow the meaning. Take the following:

"But consequences were like sea birds, beating against a gale. Their warning cries swept away by the storm."

It seems to this reviewer that the figure of speech is not complete without the phrase that follows the first statement, and that the whole thing goes much better as one sentence with a connecting comma. But a whole paragraph of phrases is too much like Gertrude Stein. Take this one:

"The 'Tyee' staggered on with the universal procession. Wind and sea and moving pall of snow. A cayuse, with its head down, drifting before a blizzard across endless prairies. Hyak journeying across snow-swept wastes where no drum ever sounded. Only the biting cold and snow. Pa hammering in the barn, building a sled for Hyak to haul wood home through the big snow. Alfred following George up the trail through the woods. Gigantic trees under snow. The boys like little dolls beneath them. Talking geography. Biting cold. Digging claws. Blood on the snow. Suddenly they realized the world was too big for them and ran home crying. It was a woman who was crying. Great trees under snow. Gold-white firs at sunset. A flag flying in the sunset, showing that an American was about to be born . . . ."

But there are many lovely bits about Nature more coherent than the above. And many bits of homely philosophy, especially about war. For this book beginning with the clearing of the Puget Sound country, continues with adventuring in Alaska and a battle with stormy winter seas to return and enlist in the World War. What follows is the greater part and by far the more dramatic. While we may be tired of books based on the War, the story of the A.E.F. in Siberia and how they were left there for two years after the Armistice, and misunderstood and suspected of Red tendencies when they came home, is something quite different again. Here is such a philosophic bit of satire:

"The war that was to end war, but didn't know how to end itself. The war for democracy that couldn't end until Siberia and Russia were made safe for Admiral Kolchak who had abolished democracy."

From this war Alfred came home to find his world changed, his girl married, his friends thinking him a Communist, his laurels all cut down. G. T. F.

The Battle of Pen and Ink

Propaganda and Dictatorship, Edited by Narwood L. Childs, Princeton U. Press, Princeton, N. J., 1936. 153 pp. U.S.$2.

The world today is the battleground of powerful economic and political forces. Each of these forces seeks to wrap itself with an ideological cloak, the purpose of which is to gain adherents and to serve as a justification for the course pursued by this force. Of necessity, propaganda, which is the mental instillation of ideas, has become the main non-military weapon in the battle of forces, ideas and men.

The work under review aims at comparing the methods of propaganda employed in the three major totalitarian states of today with the more subtle but less co-ordinated propaganda of great democracies. Six of the world's leading students of public opinion have made significant contributions to the book. Prof. Marx writes on propaganda in Germany; Prof. Zurcher makes a similar study in Italy; Mr. Maxwell surveys propaganda in Russia; Prof. Jaszi describes propaganda in the Danubian countries, and Mr. Catlin contributes a brilliant essay on "Propaganda as a Function of Democratic Government." This array of authority is topped by the world's outstanding student of political psycho-pathology, Mr. Harold Lasswell, who writes, rather technically, on "The Scope of Research on Propaganda and Dictatorship."

In his introduction, Prof. Childs notes that "propaganda, in the sense of conscious attempts to manage the minds of others, either by means of symbols, conditions, or events, has always played an important role in the exercise of sovereign power. Moreover, the practice of propaganda by official agencies of government is not and never has been peculiar to dictatorial forms of government."

But the appearance of modern dictatorships has created a new division of public opinion. "In a dictatorship, there prevails the tacit, if not the explicit assumption, that, inasmuch as truth cannot be discovered in its final and complete form, it is better for the masses, present and to come, to give up the futile and wasteful search, and accept a single and unified leadership. After all, may it not be wiser to accept one creed and cast aside all doubts, than to be forever 'questing'?

"This philosophy of opinion leadership is alluring to any would-be leader, and not less so to modern Caesars. In a democracy, however, there persists a sort of protestant unwillingness to give up the personal search for truth, and complacently accept official edicts in matters of opinion. In place of such leadership, the democratic adherent prefers a variety of creeds and propagandas from which to make his own selection. It will be noted that both schools of thought subscribe to the inevitability and even the desirability of propaganda, but in a democracy the evil, if such it is, of one propaganda is to be remedied by a multiplicity of propagandas."

Propaganda, Mr. Catlin agrees, has for a century been recognized as legitimate in a democracy. Such propaganda, however, begins to acquire objectionable features when a single organization takes possession of the coercive instruments of government. It is a democratic government's function "to govern,—and firmly; to meet propaganda by propaganda; but not to terrorize citizens from free discussion." A democracy which ignores propaganda is, according to Mr. Catlin, doomed to failure.

"The democrat," he says," "must have the courage to organize and to affirm his own values. He is in no wise necessarily condemned to share the liberal individualist psychology, of which the character was neither to give a lead nor to follow a leader, neither to organize nor to accept discipline. These values of democracy include the values of personality and personal initiative; of equal opportunity; of co-operation; of tolerance; of an 'open world' in thought; and of the adventure of experiment.

"The modern world is one of enlarged hopes and of new complexities. The post-war world is one of disillusionment. Both characteristics tend towards a demand for uncritical and emotional faith. The temper of the irritated child is peculiarly likely to infect us, with demands that, if we can't get the machine to go as we wish, we shall smash it . . . Democracy, in its ultimate philosophy, may be allied with a scepticism about all human infallibilities; but it is neither a policy of inaction, futility nor ethical nihilism."

Mr. Catlin's conviction, which seems to be shared by the other writers in the book, is that democracy must permit free propaganda by other movements, but must also assure the successful role of its own propaganda.

On the whole, the book is an outstanding contribution to the rapidly maturing science of public opinion. A layman, armed with the vocabulary of a well-educated man, should find this book intensely stimulating.

M.

A Hearst Correspondent Covers the "European Gangsters"

Racketeers of Europe, by W. A. S. Douglas. The Telegraph Press, N.Y. 169 pp. U.S.$1.

As correspondent for Hearst's Universal Service, Mr. Douglas has recently made a tour of Europe. His observations, written in the racy, colorful and ungrammatical style of a Hearstman, form the bulk of the book. Mr. Douglas took his cue from a Chicago gunman, who, commenting on Hitler's purge of party ranks, said: "those birds ain't a bit different to us."

Adolf Hitler, Douglas declares, is "either the dumbest or the smartest of Europe's ganster bosses." Hitler, the author says, climbed to power by giving Germany her greatest vanity,—the wearing of uniforms and spurs. Goering, according to Douglas, is "a blood lusting madman." More than a third of the book is devoted to the Nazi's war on religion, Jews and liberals.

Mussolini, says Douglas, is a self-proclaimed Ceasar, forever blustering and saber-rattling, although "during the war he was wounded in the backside" and was fingerprinted in Geneva for theft. Other chapters deal with Prince Starhemberg, Admiral Horthy, King Carol ("a drunkard, a blackguard, and a roughneck"), the Polish Army (always for hire to the highest bidder), Danzig, the Serbian "madmen killers," and King Zog of Albania ("the Italian Duce's roughneck").

Mr. Douglas' conclusion is that by 1938, when Germany's military efficiency attains its peak, the world will once again face war. The book is interesting, but its value as an aid in understanding the situation in Europe is doubtful. M.

Adventure in Indo-China

The Stolen God, By Edison Marshall. H. C. Kinsey & Company, Inc. N.Y. 1936 U.S.$2.

Nat Holden is a young, handsome and athletic American, whom the accident of birth and native talents have made the best sleuth of Indo-China. When a giant emerald Buddha disappears from a Bangkok temple, it is naturally to Holden that the King of Siam appeals for assistance. Realizing that his failure might mean revolution, Holden accepts the task.

A brief period of gum-shoeing convinces him that an American collector of curios, touring Indo-China, is somehow involved in

the theft. The collector is accompanied by an inevitable beautiful daughter and his secretary, who plays the double role of the girl's fiance and the villain of the piece. Holden dresses (or undresses) himself as a native chief and joins the collector's party in a journey to distant Laos. After an adventurous trip, during which Holden and the girl fall in love with each other, the hero finds the Buddha and wins his girl. The opium-smoking villain, who is finally unmasked as the missing King of Laos, dies.

The book bears no earmarks of brilliance, but forms a very palatable adventure yarn.

M.

Eastern Survey" Describes Situation in the Pacific

"The inauguration of scheduled air service between the United States and Hongkong by Pan American Airways marks the beginning of a new era in the history of transportation service—an era in which frictions engendered by disputes over landing facilities will have much to do in making for strained or amicable relations between states"—according to the *Far Eastern Survey* of the American Council, Institute of Pacific Relations. Appraising the significance of existing commercial air lines in the Far East, which include routes of nearly 75,000 miles with American and European connections, Russell E. Hall research associate, points out that "in 1936 alone the planes in this area flew more than 9,000,000 miles, carried in excess of 100,000 passengers, 300 tons of mail and 12,000 tons of freight. Americans can proudly look at their flying clippers now crossing the Pacific over a course for which their government has spent or appropriated millions of dollars. Britons are eagerly awaiting the establishment of an All-Empire route to circumnavigate the globe. French and Dutch planes now reach far corners of the earth. Germans have been pressing negotiations for through Berlin-Shanghai service. And Russians are hoping for scheduled flights from Europe to America."

Britain Prepares Against Possible Closure of Mediterranean by Italy

To guard against eventual closing of the Mediterranean area by a hostile Italy, England is now quietly preparing for large scale operations, involving the development of new naval bases, which will guarantee the security of the Cape route and protect the enormous amount of British traffic flowing from the South Atlantic, according to Captain H. Th. de Booy, retired Dutch naval officer, writing in *Pacific Affairs*, quarterly of the Institute of Pacific Relations.

Information Bulletin Traces Development of Secondary Education in China

The development of secondary education in China since the founding of the Republic is traced in a recent number of an information bulletin published on May 26 by the Council of International Affairs in Nanking. This article on "Secondary Education in China" was prepared by Tze-hsiung Kuo, formerly Professor of International Relations at the Central Political Institute in Nanking, who is a Research Fellow of the Council of International Affairs.

Figures showing the growth of secondary education from the year 1913 to 1933 are given in the bulletin. The number of secondary schools in China in 1912 totaled only 832, including 500 middle schools, 253 normal schools and 79 vocational schools. In 1933, the number of secondary schools had increased to 3,215, including 1,920 middle schools, 983 normal schools and 312 vocational schools.

The geographical distribution of these secondary schools throughout the country is shown in another table. According to this, Kwangtung Province is the most progressive with the total of 333 secondary schools, while Sikong and Sinkiang are the two most backward, each having only two schools of the secondary grade.

The number of students studying in secondary schools in 1933 was 559,320, which shows an increase by 461,355 students as compared with the number given for 1912.

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SOVIET MILITARY COURT SENTENCES EIGHT ARMY LEADERS TO DEATH—BODIES CREMATED

(*Continued from page 87*)

led to the execution of Trotzkyist "saboteurs and spies" in the Siberian town of Svobodny.

Japanese See Executions as Heavy Loss to Red Army

While "possibly" strengthening the dictatorship of Joseph Stalin, secretary-general of the Russian Communist Party, the mass execution of military leaders in Moscow, "should prove a heavy loss to the Red Army," Col. Hikosaburo Hata, former Japanese military attache in Moscow and now head of the Japanese Army's press bureau, commented in Tokyo June 12 when informed of the outcome of the special court-martial.

Paying high tribute to Marshal Tukhachevsky, a former prince, for his "eminent knowledge of strategy," Col. Hata recalled that he had renewed his acquaintance with Generals Putna and Primakoff during his stay in Moscow. Both Soviet leaders once served in Tokyo as military attaches.

Japanese military circles dismissed as "ridiculous" foreign press reports that either Japan or Germany was the country named by Moscow in an indictment returned against the eight Soviet Army officers. Their arrest on charges of high treason and espionage in favor of "a certain foreign country" was described by Japanese officers as "unprecedented in history." The entire incident, the Japanese officers asserted, was nothing more than an internal split within the Red Army. This cleavage, as well as the subsequent arrests, would, according to the officers, shake the Army.

Red Army Organ Comments on the Trial of the Army Officials

The Red Army organ, the *Red Star*, in an editorial headed 'No Mercy for the Spies and Traitors', June 11 wrote: "The spies were caught red-handed and were exposed. They will be judged by the entire Red Army, the entire Soviet nation. The vigilance of the Soviet Intelligence Service and the vigilance of the organs of the Peoples Commissariat of Internal Affairs broke off their base of activities and uncovered their heinous plans. The plans of their Fascist inspirers and employers are exposed. The spy nucleus of the Fascist espionage services has been broken up. The enemies miscalculated. The Fascists will never live to see the Red Army defeated. The Red Army was and will remain invincible."

Caustic Comment by Leon Trotsky

Leon Trotsky, former Communist leader who has taken refuge in Mexico, bitterly condemned the trial and execution of Marshal Tukhachevsky, in a statement made in Mexico City June 13. "Those interested in the defense of their country have been made the victims of those interested in self-preservation," said Mr. Trotsky.

Moscow Cancels Invitation to Six Tokyo Cultural Leaders

Six leaders of Japan's cultural life, invited by the Soviet Government to attend a Play Festival, opening in Moscow on Sept. 1, were informed by the Intourist on June 20 of the withdrawal of the invitation. Moscow's unprecedented move was generally regarded in Tokyo as a direct consequence of last week's Army trial in the Soviet Capital.

Japanese Training Ship Said Seized by Soviets

The Japanese authorities at Sapporo, in the Hokkaido, June 14 launched an investigation into of an unconfirmed report that the Training Vessel *Shinobuji Maru* of the Hakodate Higher Fisheries School had been seized by a Soviet patrol ship while on a cruise off Kamchatka.

5,000 Red Army Officers Put on Reserve List, Says "Kokutsu"

Five thousand Soviet officers, said to have been involved in a gigantic plot directed against Joseph Stalin, Secretary-General of the Political Bureau, have been summarily put on the reserve list, according to information received by Japanese military quarters in Harbin. The plot, according to the *Kokutsu News Agency*, was discovered as a result of an unprecedented purge of Army ranks by the Communist party. The virtual dismissal of the officers was, according to *Kokutsu*, strongly opposed by Marshal Klementii Voroshiloff, Commissar for Defence, but his protests were overruled.

Soviet Floating Dock for Vladivostok

A Soviet 5,000-ton floating dock, on a 10,000-mile voyage from Odsasa to Vladivostok, will pass through Singapore shortly. It is stated that the dock, which is being towed by two vessels, will serve crab-catching, lumber-carrying, and other Soviet vessels.

Big Volga-Don Canal Project Approved

The project of the Volga-Don Canal has been approved. This canal will form a deep-water route between the Volga and Don, and along the Don to the open seas. The 1,100 km. deep-water route (depth 6.4 m.) will link Stalingrad with Rostov-on-Don and the Azov Sea, extending also to the upper reaches of the Don. It will solve the transport problems of the south and the south-east of the European part of the U.S.S.R. The new Canal will connect areas rich in timber, coal, metal, oil, grain, chemical goods, thus considerably relieving the railways. About 250,000 hectares of land along the Don, usually flooded by spring freshets, will be reclaimed for agriculture. Rostov-on-Don and Stalingrad will obtain water for irrigation, drinking and industrial and municipal construction. Besides, up to 100,000 hectares of Kalmyk lands will also be irrigated. *Tass* says the annual freight turnover of 10,000,000 tons will turn Rostov-on-Don into a port of world importance. The total freight turnover of the Canal is estimated at 15,000,000 tons by 1942.

Clash Between Soviet Naval Men and Police Reported at Vladivostok

A sensational report about an alleged clash between Soviet naval men and police at Vladivostok, hitherto without confirmation from any other source, was reported in a message from Warsaw published in the Berlin newspaper *B. Z. am Mittag*. June 15. The clash arose when police tried to effect the arrest of sailors suspected of carrying out intrigue in favor of Leon Trotsky, the exiled Bolshevist leader and arch-enemy of the present regime in Russia, who is now living in Mexico. The sailors offered resistance with rifle fire, and 15 persons were killed in the encounter.

Further arrests, the *B. Z. am Mittag* also reported, have been effected by the Soviet authorities, the victims including M. Kretinsky, Commissar of Justice, M. Constantin Yureneff, Soviet Ambassador at Tokyo, who has been home on furlough, and Marcel Rosenberg, formerly Soviet Ambassador at Madrid. The others, the newspaper added, consisted of four high officials of the Commissariat of Defense and the Commissariat of Foreign Affairs.

SWATOW INSISTS ON STRICT REGULATION OF ALIENS ENTERING PORT

(*Continued from page 80*)

ning any killing of the lepers the provincial government is determined to spend $200,000 as the initial cost for erecting a new leprosarium in Yuan Kong Sha village near Canton. A large piece of land has been purchased from the villages, who are now kicking up a big protest over the building of a leprosarium there. But despite this it is not expected that Mayor Tseng Yang-fu will ever change his mind about finding a home for the hundreds of unfortunate lepers of Canton City. According to the Mayor's plan the leprosarium will cover 200 *mows* of land with a most spacious area for the opening of experimental farms for the lepers to till the rich land and to make themselves useful while getting the best scientific treatment which the southern Government can afford.

June 11, 1937.

French Writer Says Time When Japan Can Do as She Pleases in China Is Finished

"The time when Japan could act as she pleased in China is over," writes Rene Lavigne, in the radical socialist newspaper, *La Republique*, in a long article on recent Japanese attempts to restore the old Anglo-Japanese alliance.

Dealing with the British attitude toward the alliance, M. Lavigne recalls that among British conservatives, many still favor the idea of seeing Japan play the role of "gendarme of the Far East"; but since 1931 Great Britain has understood that Japanese expansion will not be limited to Manchuria, but will threaten southern China, the Dutch East Indies and will near Singapore and British India.

"The year 1936 and the beginning of 1937," he continues, "have been disastrous for Japanese influence in China. The time when Japan could act as she pleases is over; Chinese economic reconstruction has strengthened the national unity of China, and meanwhile internal difficulties have developed in Japan.

"At the beginning of May the offensive in favor of the renewal of Japanese and British collaboration in China was started. The motives of this campaign can be easily disclosed: Japan will be satisfied with complete control of northern China, where she will find coal, iron and particularly cotton. But before starting any direct action in north China Tokyo wished to know London's views on the matter."

Japanese Report Increased Trade With Manchukuo and China

Totalling Yen 128,551,000, Japan's trade with China, Manchukuo, the Kwantung Leased Territory and Hongkong during May showed an increase of 35.6 percent over the same period last year, the Tokyo Ministry of Finance announced June 11. Exports, valued at Yen 82,658,000 recorded a growth of 31.9 percent, while imports, appraised at Yen 45,893,000, rose by 42.8 percent over May last year.

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121	92½	5.00	American Can	92½	90¾
35⅞	26⅝	0.60	Amer. Cyanamid "B"	30⅝	31½
13¾	6½	—	American & For. Power	6¾	6¾
68⅞	47½	—	American & Foreign Pwr. $7. pfd.	47¾	49
29½	19¾	0.60	American Radiator	19¾	19⅞
187	160⅛	9.00	Americacn Tel. & Tel.	163	165
99	74½	5.00	American Tobacco "B"	74½	76
29½	16	0.80	American Waterworks	16	16
69½	48½	1.25	Anaconda Copper	50⅛	50¾
93⅝	69½	2.00	Atchison, T. & S. Fe	80	81⅜
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105½	78	2.50	Bethlehem Steel	78⅞	80⅛
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20⅞	13½	0.40	Columbia Gas Electric	10½	10½
21¼	10½	0.80	Coml. Sovents	13½	13¼
4⅛	2⅛	—	Commonwealth & Southern, ord.	2⅛	2⅛
49⅞	32	2.25	Consolinated Edison	32	32⅛
17⅞	14⅝	0.80	Consolidated Oil	14⅝	15
47⅜	40¼	1.25	Continental Oil	42¼	43
71¼	55	3.75	Corn Products	58¾	58½
77¼	48	—	Douglas Aircraft	55½	56¾
180⅛	148½	5.95	Du Pont de Nemours	150	152
28¼	14½	—	Electric Bond & Share	14⅝	14⅝
64⅞	50⅜	1.65	General Electric	50⅜	50⅞
44¼	36⅜	2.35	General Foods	36⅜	36⅞
70½	48⅞	4.50	General Motors	48⅞	50⅛
65⅛	42	1.00	General Railway Signal	42½	43
50½	31	1.50	Gold Dust	39	39¼
47⅝	27¾	1.00	Goodyear Tire & Rubber	37⅞	38½
87	75¼	0.37	Humble Oil	75¼	75
73⅜	55¼	1.75	International Nickel	57½	56⅞
15⅞	9⅞	—	International Tel. & Tel.	10⅝	10¾
69⅜	51	1.95	Kennecott	54⅛	54¾
84½	64¼	4.00	Loew's Inc.	75	77
28⅝	20½	1.50	Lorillard	20½	20⅝
101	85	3.00	Monsanto Chemical	89	89½
69	50¾	4.30	Montgomery Ward	50⅞	52½
33¾	25⅛	0.72	Nat. Bond Investment	26	24
26⅛	21	1.20	National Dairy Prods.	21¾	21½
35	27½	2.75	National Distillers	29¼	29⅞
14¾	8⅞	0.60	National Power & Lt.	9	8⅞
55¼	39⅝	—	New York Central	39⅝	40½
34⅞	22⅞	1.30	North American	22⅞	22¾
38	28¾	1.75	Pacific Gas & Electric	28¾	29
53¾	41¾	3.00	Pacific Lighting	41¾	41½
12⅜	8½	0.50	Packard Motors	8½	8⅝
50¼	38½	1.00	Pennsylvania Railroad	38½	38
59¼	49½	2.75	Phillips Petroleum	52¾	53⅞
52¾	37⅝	2.65	Public Serv. of N. J.	37½	37
12¾	8	—	Radio Corporation of Amer.	8	8⅛
58	49	3.00	Reynolds Tobacco "B"	50	50
51¾	40½	4.50	Schenley	40½	39½
95⅝	81	6.75	Sears Roebuck	84¾	86
20¼	16¼	0.75	Socony-Vacuum	18⅜	18¾
32½	24	1.50	Southern California Edison	24	24⅛
65⅜	42½	—	Southern Pacific	46	48
16¼	12⅛	1.05	Standard Brands	12⅛	12¼
14⅞	5⅞	—	Standard Gas & Electric	5⅞	6⅛
76	64	2.50	Standard Oil Co. of N. J.	64⅛	63⅝
75	63½	4.10	Sterling Products	65½	64½
44	34⅝	2.50	Texas Gulf Sulphur	34⅝	34¾
17⅝	12¾	0.45	Transamerica	12¾	12⅝
111	95	2.90	Union Caride & Carbon	96⅛	97
148¾	126½	6.00	Union Pacific	134	134
35⅛	24⅛	0.50	United Aircraft (New)	24¼	24⅝
24⅜	15	0.20	United Airline Trans.	15	15¼
13⅝	4	—	United Corporation	4¼	4⅛
17	11¼	1.00	United Gas Improvement	11⅛	11⅝
43⅝	32⅛	—	U. S. Indus. Alcohol	32⅛	32½
72¾	44¼	—	U. S. Rubber	56⅛	57¼
126½	75	—	U. S. Steel	94⅞	95⅝
39⅞	24¾	—	Vanadium	24¾	26⅛
18	12½	—	Warner Bros. Pictures	12½	12⅝
167⅝	130¼	6.00	Westinghouse Electric	134¼	138

Call Money: 1 %

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